



Eswatini FinTech Landscape Report 2023

This report is a result of a collaborative effort between the Central Bank of Eswatini (CBE), the Eswatini FinTech Working Group (EFWG), the Alliance for Financial Inclusion (AFI), and Olayinka David-West Consulting.

Eswatini FinTech Landscape Report



Acknowledgements

We acknowledge the coordination and management of the core project team comprising members from the FinTech and Innovation Division at the Central Bank of Eswatini (CBE) alongside the partners of the Eswatini FinTech Working Group (EFWG) and the Alliance for Financial Inclusion (AFI) and consultants from Olayinka David-West Consulting.

Additional contributions were provided from representative from the following ministries, departments and agencies of the Government of Eswatini: The Central Bank of Eswatini, Eswatini Communications Commission, The Centre for Financial Inclusion, Financial Services Regulatory Authority, University of Eswatini, Royal Science Technology Park, Eswatini Investment Promotion Authority, Eswatini Post and Telecommunications Corporation, Eswatini Financial Intelligence Unit, The Ministry of Commerce, The Ministry of ICT and The Ministry of Economic Planning. We also received contributions from the United Nations Development Programme (UNDP) in Eswatini as well as private sector actors: Luno, Standard Bank of Eswatini, InstaCash, TrustLink, Digimage, NedBank and MTN FinTech and the Innovators Association of Eswatini.

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List of Abbreviations & Acronyms

A2A	Agent-to-agent	KYC	Know-your-customer
AFI	Alliance for Financial Inclusion	MFU	Microfinance Unit
AML	Anti-money laundering	MMSP	Mobile money service provider
API	Applications programming interface	MNO	Mobile network operator
AUM	Assets under management	MoF	The Ministry of Finance
B2B	Business-to-business	MSE	Micro and small enterprises
B2P	Business-to-person	MVP	Minimum viable product
BFA	Bali FinTech Accord	NBFI	Non-Bank Financial Institutions
CBDC	Central Bank Digital Currency	NRI	Network Readiness Index
CBE	Central Bank of Eswatini	P2B	Person-to-business
CCAF	Cambridge Centre for Alternative Finance	P2G	Person-to-government
CFI	Centre for Financial Inclusion	P2P	Person-to-person
CFI	Credit Financial Institutions	PE	Private equity
CICO	Cash-in cash-out	RSTP	Royal Science and Technology Park
CMA	Common Monetary Area	SACCO	Savings and Credit Co-operatives
COMESA	Common Market for Eastern and Southern Africa	SACU	South African Customs Union
CPMI	Committee on Payments and Market Infrastructures	SADC	Southern African Development Community
DE4A	Digital Economy for Africa	SEDCO	Small Enterprises Development Company
DFS	Digital financial services	SSA	Sub-Saharan Africa
ECH	Eswatini Clearing House	SWIPSS	Swaziland Interbank and Settlement System
EFIU	Eswatini Financial Intelligence Unit	TCIB	Transactions Cleared On An Immediate Basis
EFWG	Eswatini FinTech Working Group	UNESWA	University of Eswatini
EIPA	Eswatini Investment Promotion Agency	USP	Unique selling point
EPTC	Eswatini Posts and Telecommunications Corporation	VA	Virtual asset
ERS	Eswatini Revenue Service	VASP	Virtual asset service provider
ESCCOM	Eswatini Communications Commission	VC	Venture Capital
FSRA	Financial Services Regulatory Authority	WBG	The World Bank Group
G2P	Government-to-person		
GoE	Government of Eswatini		
GSMA	Global Systems for Mobile Association		
IAE	Innovators Association of Eswatini		
ICT	Information and Communications Technology		
IOSCO	International Organisation of Securities Commissions		
JSE	Johannesburg Stock Exchange		

Governor's Foreword



Dr. Phil Mnisi
Governor

I am delighted to share with you this scoping report on the Eswatini FinTech landscape, which is the result of a collaborative effort between the Central Bank of Eswatini (CBE), the Eswatini FinTech Working Group (EFWG), the Alliance for Financial Inclusion (AFI), and Olayinka David-West Consulting. This report reflects our commitment to creating a conducive environment for innovation and inclusion in the financial sector.

Since the establishment of the dedicated FinTech unit at the CBE in 2018, the Bank has been at the forefront of monitoring and engaging with FinTech developments both locally and globally. Through the Fintech office, the Bank aims to understand the risks and opportunities for fostering a vibrant FinTech ecosystem in the country. With the goal of creating an enabling environment for FinTech innovation and inclusion, the Bank has launched several initiatives, such as FinTech regulatory sandbox, FinTech innovation competitions as well as spearheaded the formation of the EFWG. The Working Group has been instrumental in fostering dialogue and collaboration among various stakeholders to advance the local FinTech ecosystem.

The Eswatini FinTech ecosystem is still nascent but shows great promise. This affords us the opportunity to develop a dynamic and inclusive financial sector that can leverage digital innovation and overcome traditional barriers. By attracting more investment and collaboration in FinTech, we can improve the efficiency and accessibility of financial services for our citizens and businesses. We can also use digital infrastructures such as APIs to enable the interoperability and integration of different platforms and providers. Moreover, we can address the specific challenges and needs of our market, such as financial literacy, access to credit, or social impact.

This landscape report provides a comprehensive overview of the current state and future potential of FinTech in Eswatini. It covers key aspects such as market demand, supply-side dynamics, the regulatory framework, infrastructure readiness, and ecosystem enablers.

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I hope that this report will be a useful resource and guide for all stakeholders involved in shaping Eswatini's FinTech future and will spur more dialogue, collaboration, and innovation among regulators, policymakers, industry players, academia, and civil society.

It also identifies key opportunities and gaps for further development and provides actionable recommendations for building a supportive and enabling environment for FinTech innovation.

I hope that this report will be a useful resource and guide for all stakeholders involved in shaping Eswatini's FinTech future and will spur more dialogue, collaboration, and innovation among regulators, policymakers, industry players, academia, and civil society. Moreover, I hope that it will inspire us to view Eswatini not as a landlocked country but as a land-linked country capable of leveraging its strategic location and connectivity to tap into regional and global FinTech opportunities.

I would like to thank AFI and Olayinka David-West Consulting for their invaluable technical assistance in carrying out this scoping exercise. I would also like to thank all of the participants who provided insights and feedback during the data collection process.

Dr. Phil Mnisi
Governor



Executive Summary

The Kingdom of Eswatini is no different from global markets wanting to leverage the benefits of FinTech innovations, amid core regulatory mandates of integrity, stability, inclusion and protection.

Financial technologies, also known as FinTechs, are technological innovations in financial services that could produce new business models, applications, processes or products with an associated material effect on financial markets and institutions and providing financial services¹. Being the nexus between financial services and digital technologies, FinTechs, through their innovations, are transforming the financial services sector, enabling convenience, ease of use, access to finance and advancing financial inclusion to otherwise underserved segments. Regarding financial inclusion, the transformational FinTech solutions also seek to catalyse access and usage of financial services to close the gender gap, enable access to persons with disabilities (PWDs) and other displaced persons and address climate change.² The

¹ <https://www.fsb.org/work-of-the-fsb/financial-innovation-and-structural-change/FinTech/>

² <https://www.fsb.org/work-of-the-fsb/financial-innovation-and-structural-change/FinTech/>

Kingdom of Eswatini is no different from global markets wanting to leverage the benefits of FinTech innovations, amid core regulatory mandates of integrity, stability, inclusion and protection.

Through an in-country implementation (ICI) grant to the CBE, this FinTech landscape study project is conducted with the support of the Alliance for Financial Inclusion (AFI) to scope the FinTech landscape in the Kingdom, towards providing a roadmap for further FinTech development and strategic planning. This Landscape Report presents a deep-dive of the local FinTech ecosystem and emerging business models and approaches to steer and guide developing appropriate policy initiatives.

Our key findings are summarised in the subsequent paragraphs.



Mobile money is synonymous with FinTech. Eswatini's 87% financial inclusion has been the result of mobile money services. Yet the ecosystem lacks product diversity across the FinTech verticals and market enablers.



The Eswatini FinTech ecosystem is in its early stages of development with legacy actors like banks and MMSPs providing FinTech solutions using traditional regulatory instruments. The map in Figure 1 highlights the dominant players across the FinTech verticals. Of the FinTechs surveyed, about two-thirds have a physical footprint in Eswatini, although headquartered in other markets, especially South Africa. While the FinTechs report diverse funding sources like grants, debt, equity, accelerator financing and personal savings, equity is the most common funding source. In sum, there is a dearth of local actors, alternative regulatory instruments and sustainable funding sources to develop a FinTech ecosystem.

Mobile money is synonymous with FinTech. Eswatini's 87% financial inclusion has been the result of mobile money services. Yet the ecosystem lacks product diversity across the FinTech verticals and market enablers. Thus, the advancement of products requires FinTech innovations across other verticals like e-commerce, transportation and agriculture. Cross-border person-to-person (P2P) payments are an additional opportunity to leverage the EmaSwati population repatriating funds. Developing such use cases will provide more desirable network effects.

The competitive forces are limited. The sparseness of ecosystem actors limits competition which is more prevalent in the digital payments sub-sector, where new entrants struggle with limited partnership opportunities with legacy players, limiting market entry.

The financial sector is collaborating to kickstart the FinTech ecosystem. Financial technology (FinTech) advancements began with the CBE establishing a FinTech unit to spearhead FinTech development and interventions in the banking sector in 2018. The unit provides an evidence base for policy innovation and financial infrastructure development. In 2020, the CBE formed institutional relationships with key stakeholders, the Financial Services Regulatory Authority (FSRA), Eswatini Communications (ESSCOM), the Centre for Financial Inclusion (CFI) and the University of Eswatini (UNESWA). Through a formal memorandum of understanding (MoU), the Eswatini FinTech Working Group (EFWG) birthed with members seeking to "provide more automated and informed processes to improve financial literacy in Eswatini, tackle disruptive technologies and steer inclusive FinTech in the country".

FinTech is an enabler and as such, should align with other Government services like ICT. Building a FinTech ecosystem provides financial infrastructure and rails for economic development. However, this ecosystem requires digital infrastructure rails under the purview of the Ministry of Information and Communications Technology (ICT). ICT is a key driver for economic growth and sustainable development in the Kingdom of Eswatini's National Development Plan 2023/24 - 2027/28 and is a recognised catalyst for socio-economic development. To drive this mandate, the World Bank, at the invitation of the GoE, conducted the digital economy for development (DE4A) diagnostic assessment across the five enabling pillars - digital infrastructure, digital platforms, digital



financial services, digital entrepreneurship and digital skills - recommending actions towards a digital economy.

Developing the FinTech ecosystem is beyond the financial sector. The components of a FinTech ecosystem include ecosystem actors, business environment/access to markets, government/regulatory support, access to capital and financial expertise³. Except for access to capital, Eswatini's FinTech ecosystem includes insufficient values of the complement of ecosystem components. In addition, access to venture finance follows innovative ideas and entrepreneurial ventures in their startup stages. Thus, the EFWG, the creation of the financial sector needs to coordinate and collaborate with other Government agencies.

Financial inclusion is high, yet the use of digital financial services is low. The Centre for Financial Inclusion (CFI), a policy-advocacy unit within the Ministry of Finance, coordinates and monitors the supervises the National

Financial Inclusion Strategy (NFIS) implementation. The CFI works in collaboration with all stakeholders across key thematic areas like SME financing, women and youth, digital and data, agricultural finance, rural finance. Through mobile money deployments, the GoE has achieved 87% financial inclusion in 2022, surpassing its 75% financial inclusion targets from 44% in 2010. Notwithstanding the progress, the national financial inclusion strategy (NFIS) 2.0 seeks to enhance usage of financial products and services.

Developing innovation capacity should be exploited. Amidst high unemployment numbers, Eswatini has a large youth population and needs to convert these resources into productive capacity through interventions like accelerators and hubs. Innovation hubs are foundational to technology ecosystem developments and from GSMA's Ecosystem Accelerator programme map⁴, Eswatini is home to between 1 and 4 active hubs. The business incubator at the Royal Science and Technology

³ Diemers, D. et al. (2015) Developing a FinTech ecosystem in the GCC. Strategy&.

⁴ <https://www.gsma.com/mobilefordevelopment/blog/618-active-tech-hubs-the-backbone-of-africas-tech-ecosystem/>



The cash utilisation across use cases presents opportunities for digitising payments and introducing digital financial services (DFS) to meet consumer needs.



Park (RSTP) is the GoEs one of the GoEs efforts to promoting digital innovation and entrepreneurship. The incubator supports start-ups with market access and visibility, intellectual property protection and fundraising to ensure the adoption and growth of their innovations.

Consumers need affordable solutions. From Finscope 2018 data, 48.4% of EmaSwati women and 51.6% use financial products and services, are educated, mostly live in rural locations and active in the agriculture and trade sectors. From the 87% financial inclusion, EmaSwati are satisfied with the financial services provided by commercial banks and mobile money service providers, citing ease of access and safety of funds as

key factors. Notwithstanding the high levels of access to financial services, cash dependence and utilisation are also dominant, revealing that while EmaSwati use bank accounts and wallets as stores of value, the cash utilisation across use cases presents opportunities for digitising payments and introducing digital financial services (DFS) to meet consumer needs.

FinTech policies and regulations are evolving and at par with other markets. The World Bank Global FinTech-enabling regulations database⁵ shows Eswatini is in tandem with peers in the development of FinTech and foundational regulations, making progress in enabling FinTech. There is evidence that, to a varying

⁵ <https://www.worldbank.org/en/topic/FinTech/brief/global-FinTech-enabling-regulations-database>

degree Eswatini imbibes most of the principles of the Bali FinTech Accord (BFA) and actioning the tenets of the Sochi Accord. Across the FinTech sub-verticals, the CBE and FSRA have substantive legislation and entity-based regulatory and supervisory frameworks. Notable developments from the CBE include the 2019 Practice Note for Mobile Money Service Providers, the Agent Banking Guidelines and the Minimum Standards for Electronic Payment Schemes.

Digital ID solutions and open data arrangements will enhance FinTech developments. Even though about 90% of EmaSwati have access to national identification, the digitalisation of these identity solutions for effective conduct of know-your-customer (KYC) is on the CBE's policy agenda alongside open banking policies. This Digital ID imperative can support person-to-government (P2G) payments such as taxes.

Eswatini is well-positioned to provide access to SADC region markets. Eswatini is a member of the two key trading blocks, the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). Most of the Kingdoms trade (imports and exports) is with South Africa. Thus, trade facilitation within these trading blocks can be extended to the FinTech sector.

The funding space is nascent. The African technology narrative is incomplete without the mention of venture capital (VC) and private equity (PE) firms that have provided startup and scale-up funding. According to Disrupt Africa, in 2021, tech funding across 564 startups exceeded US\$2 billion, with the FinTech sub-sector receiving the lion share. No Eswatini tech startup is yet to receive venture capital funding. Despite the VC-funding gaps, the Kingdom continues to host and support innovation



challenges like the Eswatini Innovation Hackathon, the Grameen Foundation’s DFS Innovation Prize⁶ and the ESSCOM National Innovation Challenge (NIC)⁷. Winners of these events receive seed funding or prize monies.

Talent is scarce. Eswatini’s ecosystem lacks the requisite FinTech talent and talent development (learning) programmes. To date, FSPs stakeholders have been importing the FinTech solutions and talent to conceptualise, build and maintain the solutions. While the range of FinTech capabilities spans [software] engineering, emerging digital technologies, business and management and regulations, the EFWG led by the University of Eswatini (UNESWA) and the Deep Learning Indaba Consortium are addressing technological know-how. In 2021, the EFWG hosted a

⁶ <https://grameenfoundation.org/stories/blog/meet-our-digital-financial-services-innovation-prize-winners-catalyzing-change-in-eswatini-through-digital-tools>

⁷ <https://www.insidebiz.co.sz/esscom-launches-e100-000-national-innovation-challenge/>



Figure 1: Eswatini FinTech ecosystem landscape



Figure 2: Key opportunities and challenges

2-day IndabaX workshop, targeted at applying machine learning techniques to solving problems like financial inclusion. Regarding professional development, there are few learning centres or programmes available to upskill the regulators and workforce. Figure 2 summarises the key enablers and constraints categorised by type.

In conclusion, building a sustainable FinTech ecosystem that drives financial inclusion in the support of inclusive growth and sustainable development, we proffer three broad recommendations. First, create an enabling environment with proportionate regulations that levels the playing field. Second, promote a digital Eswatini and promote the implementation of the DE4A diagnostics initiatives. Third, to develop pathways to FinTech businesses and a startup ecosystem that enables the establishment of businesses from the innovation sandbox or competitions.

These recommendations will support a three-phased roadmap comprising of build, host and scale stages. This build phase will also includes developing the requisite policies and regulations, the digital infrastructure, startup ecosystem, e-commerce use cases, and other

complementary eGovernment services. Another opportunity open to the Kingdom, which is an offshoot to the build model, is positioning the Kingdom as a regional innovation hub for FinTech entities, putting Eswatini on the map as a startup ecosystem⁸. In addition to the components of the builder mode, this hosting model would also require an employable talent pool and open borders. These approaches, albeit complementary, are strategically diverse and require strengthening different primary drivers. Over time, the build and host models can leverage Eswatini’s trade agreements and provide scale opportunities to serve the region.


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8 <https://startupgenome.com>

Introduction



01

Financial technologies, also known as FinTechs, are technological innovations in financial services that could produce new business models, applications, processes or products with an associated material effect on financial markets and institutions and providing financial services⁹.

Being the nexus between financial services and digital technologies, FinTechs, through their innovations, are transforming the financial services sector, enabling convenience, ease of use, access to financial products and advancing financial inclusion to otherwise underserved segments. Regarding financial inclusion, the transformational FinTech

⁹ <https://www.fsb.org/work-of-the-fsb/financial-innovation-and-structural-change/FinTech/>

solutions also seek to catalyse access and usage of financial services to close the gender gap, enable access to persons with disabilities (PWDs) and other displaced persons and address climate change¹⁰.

Recognising the diverse nature of financial services and technological innovations, the Cambridge Centre for

Alternative Finance (CCAF), created a FinTech taxonomy segmenting core FinTech sub-verticals and foundational market enablers (see Figures 3 and 4).

In markets like Africa, factors driving FinTech include access to digital technology platforms, digital youth entrepreneurs, startup ecosystems, financial exclusion,

¹⁰ Alliance for Financial Inclusion (2018) Sochi Accord FinTech for Financial Inclusion. Alliance for Financial Inclusion.



mobile technologies and venture capital funding, to name a few¹¹.

The nexus between financial services and digital technologies is producing new ecosystem actors deploying new business models for providing distinct financial services, otherwise aggregated by financial services entities.

FinTechs, unbundling how entities by providing functional solutions, are challenging financial services regulation. The ease of developing and deploying FinTech innovations could pose risks from integrity, stability, inclusion and consumer protection, challenging policymaking.

¹¹ McKinsey & Company (2022) FinTech in Africa: The end of the beginning. McKinsey & Company

“The question I’ve always had for myself is ‘the role of the regulator in terms of support and understanding the risks?’. So in that way for them to go in that space, I would believe that from the regulators perspective, it would be regular engagements, and also enlightening them that where now they have come up with solutions like for example, if you’re talking about premium remittances through digital platforms, or using alternative ways of underwriting, the elements of customer protection in that regard. So, it will be more from the regulators perspective to now have a framework that talks to customer protection elements when using FinTech solutions.” (FSRA Executive)

The Kingdom of Eswatini is no different from global markets wanting to leverage the benefits of FinTech

innovations, amid core regulatory mandates of integrity, stability, inclusion and protection. To navigate the FinTech journey, the Central Bank of Eswatini (CBE) established a FinTech unit to provide an evidence base for policy innovation and financial infrastructure development. A wider group of institutional stakeholders, the CBE, Financial Services Regulatory Authority (FSRA), Eswatini Telecommunications (ESSCOM), the Centre for Financial Inclusion (CFI), and the University of Eswatini (UNESWA), formed the Eswatini FinTech Working Group (EFWG) to advance FinTech development in the Kingdom.

Through an in-country implementation (ICI) grant to the CBE, this FinTech landscape study project was undertaken with the support of the Alliance for Financial Inclusion (AFI)



to scope the FinTech landscape in the Kingdom, towards providing a roadmap for further FinTech development and strategic planning. This Scoping Study forms a major component of the Kingdom’s mandate to catalyse the domestic FinTech ecosystem through policy initiatives that would scale and enhance FinTech development and advance financial inclusion.

This Landscape Report presents a deep-dive of the local FinTech ecosystem and emerging business models and approaches to steer and guide developing appropriate policy initiatives. The report comprises of five sections. Following this introduction, we present the country context, introducing the economic, legal environments alongside relevant market segments - financial, digital

and startup ecosystems. The third section introduces the current financial technology ecosystem, highlighting the goals of the CBEs FinTech unit and demand-side insights. The as-is assessment of the FinTech landscape is the focus of section four, describing the core FinTech verticals and market enablers. This section also provides market insights like the competitive landscape, extant policies and regulations, as well as challenges and opportunities. The report concludes with recommendations about Eswatini’s FinTech landscape, benchmarking global policies like AFIs Sochi Accord, the Bali FinTech Accord (BFA) and the World Bank Group’s Global FinTech Regulatory Database, and articulating a way forward amidst risks and other considerations.

DIGITAL PAYMENTS	DIGITAL SAVINGS	DIGITAL LENDING	CRYPTOASSETS/ DIGITAL TOKENS	INSURTECH	DIGITAL INVESTMENTS/ WEALTHTECH	DIGITAL BANKS	REGTECH/ SUPTECH
Also known as electronic payments. Facilitate the transfer of value between payment accounts using a digital device or digital channel.	Digitally-enabled interest-bearing deposit accounts held by regulated deposit-taking entities.	Offer loans originated, disbursed, evaluated and managed through digital channels.	Trading, intermediation and processing of digital/crypto assets.	Leveraging technology-enabled platforms to offer insurance to users.	Leveraging technology-enabled platforms to capital raising and investment services.	Digitising banking products and services.	Leveraging technology to enhance regulatory and supervisory practices.
PAYMENT SERVICES	DIGITAL MICRO SAVING SOLUTIONS	P2P/MARKETPLACE LENDING	TRADING	DIGITAL BROKER/AGENTS	PERSONAL FINANCIAL SERVICES	RETAIL FACING	RISK ANALYTICS
BACKEND SERVICES	SAVINGS-AS-A-SERVICE	BALANCE SHEET LENDING	INTERMEDIATION & BROKERAGE	CLAIMS & RISK MANAGEMENT SOLUTIONS	ASSET MANAGEMENT	MSME FACING	COMPLIANCE
SETTLEMENT & CLEARING SERVICES PROVIDERS	DIGITAL SAVINGS COLLECTIVE/POOL	DEBT-BASED SECURITIES	CRYPTO PAYMENTS	COMPARISON PORTAL	INVESTMENT-BASED CROWDFUNDING	AGENT BANKING	REGULATORY REPORTING
	DIGITAL MONEY MARKET/FUND	CROWD-LED MICROFINANCE	STABLECOIN ISSUANCE	CUSTOMER MANAGEMENT	NON INVESTMENT-BASED CROWDFUNDING	BANKING-AS-A-SERVICE	PROFILING & DUE DILIGENCE
		INVOICE TRADING		ON-DEMAND/USAGE-/P2P/PARAMETRIC-INSURANCE	TOKEN HOSTING PLATFORM		MARKET MONITORING
		CUSTOMER/MERCHANT CASH-ADVANCE		IOT (INCLUDING TELEMATICS)			

Figure 3: CCAF FinTech segments

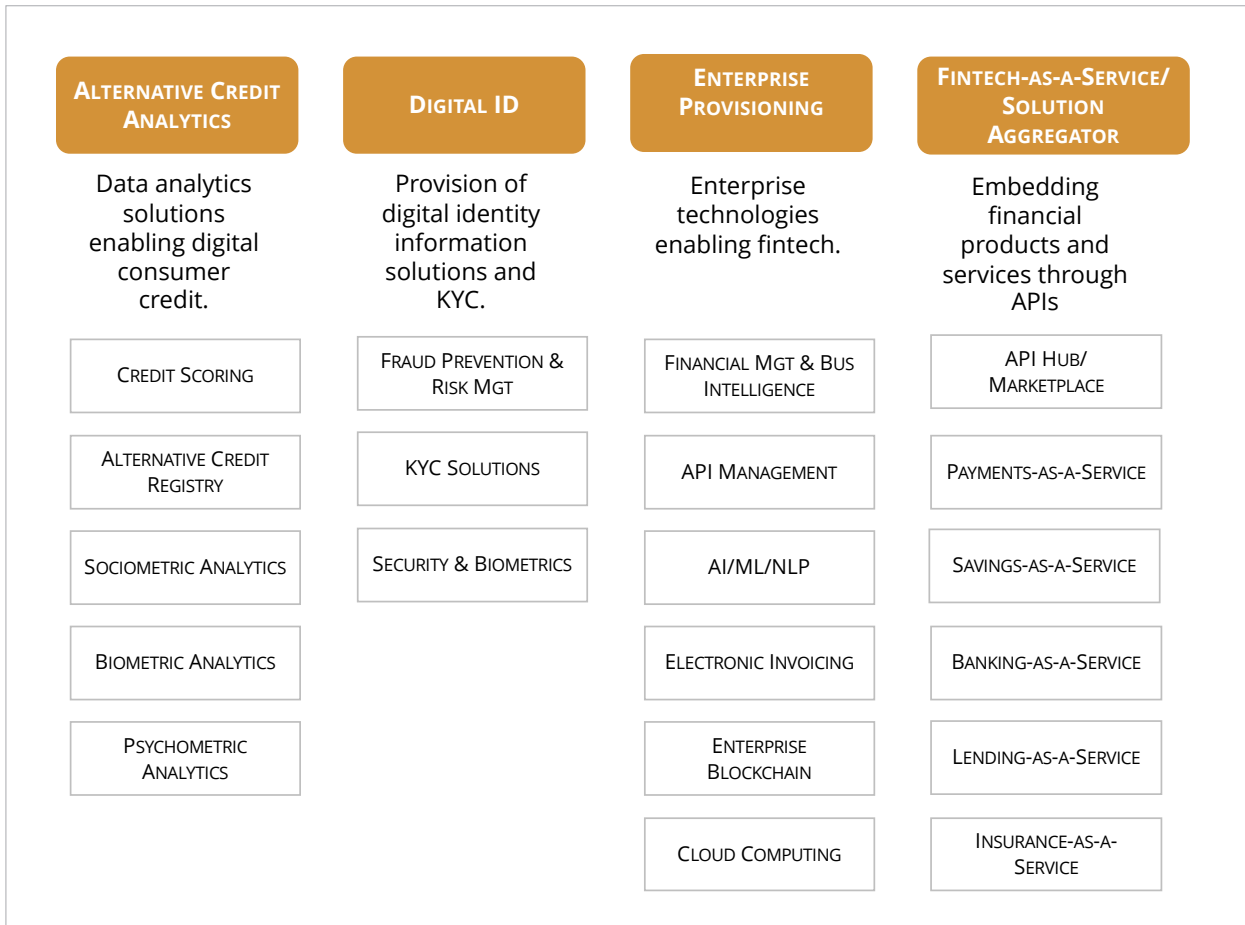


Figure 4: CCAF market enablers



Country Context



2.1. About Eswatini

The Kingdom of Eswatini, formerly named Swaziland, is a southern African country that is landlocked by South Africa and Mozambique. With a population of 1.1 million in 2017, with Census projections estimates reaching 1.5 million by year 2038. Figure 5 highlights key country dynamics.



2.1.1. Eswatini's Macro-economy

Eswatini's economy is diverse, with the services sub-sector accounting for over 50% of the GDP while sectors such as mining, agriculture, and forestry accounting for over 13% of GDP and manufacturing contributing the remaining 37% of GDP.

With close economic ties to South Africa, about 85% of Eswatini's imports and about 60% of its exports depend on South Africa. It is also a member of the Common Monetary Area (CMA), with Lesotho, Namibia, and South Africa. Under the CMA, the Eswatini lilangeni (the domestic currency) is pegged to the South African Rand, which is also legal tender in the country.

The economy had a strong rebound in 2021, with real GDP growth at 7.9%, up from a 1.6% contraction in 2020. Easing the lockdown measures in 2021 supported export-oriented sectors, as well as the robust recovery in external demand in key destination markets. Political unrest in June/July 2021 destroyed physical assets, theft of inventory, and constrained operational hours, its impact on production was mitigated by a Reconstruction Fund, set up by the government to cushion businesses from lasting effects of the damage.

Inflation increased in the second quarter of 2022, driven by food and transport costs and a depreciating local currency. Annual inflation averaged 4.2% in 2022Q2, higher than 3.2% in 2022Q1 and 3.7% in 2021Q2; it continued on an upward trend as it increased to 5.8% in August 2022 from 5.4% in July 2022. Transport and food contributed to over half of annual inflation, and the currency depreciated by about 6% during first half of 2022. In response to the high inflationary pressures, the Central Bank of Eswatini increased the discount/repo rate by a cumulative 200 basis points between January and September 2022 (from 4% at the start of the year to 6%).

The Government contained the fiscal deficit within budget limits—at 4.6% of GDP—as the government implemented expenditure cuts, including public investment, in line with its three-year fiscal adjustment plan. The reduction in the fiscal deficit took place amidst lower overall revenues amid lower South African Customs Union (SACU) revenues.

Public debt increased as the government accessed loans to finance the budget deficit. Real GDP growth slowed to 1.1% in 2022, reflecting implementation of the government's three-year fiscal adjustment program and inflationary pressures from the war in Ukraine. Annual average inflation increased to 4.8% in 2022 from 3.7% in 2021, driven by high food and fuel prices. The current account balance turned into a deficit in 2022, reflecting declining SACU revenues and rising imports because of higher fuel/food costs arising from the war.

As a small and landlocked country, Eswatini is vulnerable to international and regional developments. The war in Ukraine has contributed to rising oil and food prices, hurting the poor most. Poverty, unemployment, inequality, and HIV prevalence levels were already high even before these external shocks. According to the World Food Programme¹², 69% of the rural population in Eswatini live below the national poverty line and 25% are extremely poor. In 2016, Eswatini's national poverty rate was 58.9% down from 63.0% in 2009 despite the country's middle-income status at the time, and 69.0% in 2001^{13,2}. That year, about 52.1% of Emaswati were estimated to be poor at the US\$3.2 lower middle-income poverty line, based on the 2011 purchasing-power-parity (PPP) index. Rural residents, female-headed households, single-headed households, children, large families, the less educated, and the unemployed are the most prone to being poor.

At about 27%, Eswatini has the world's highest HIV prevalence rate among adults aged 15 to 49. This, together with a consumption per capita Gini index of 54.6 in

¹² <https://reliefweb.int/report/eswatini/wfp-eswatini-country-brief-march-2022>

¹³ https://databankfiles.worldbank.org/public/ddpext_download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/SM2020/Global_POVEQ_SWZ.pdf

2017 (reflecting high inequality), increases the nation's vulnerability to economic shocks.

High vulnerability to natural disasters and economic shocks also undermines economic growth, poverty, and inequality reduction. Vulnerability to drought and the reliance on smallholder agriculture was associated with a high incidence of food insecurity.

Private investment has been low, constrained by several factors. The fiscal situation has been fragile because of the reliance on volatile customs revenues. Reliance on SACU revenues has led to substantial fluctuations in public

spending and continues to pose a challenge to managing fiscal resources and the potential for growth. Volatile SACU receipts, coupled with rigid government expenditure, have led to fiscal deficits persisting in the recent past.

In the 2020 World Bank Doing Business Rankings¹⁴³, Eswatini ranks 121 of 190 economies (see Figure 6), scoring below 50 across three categories: protecting minority investors, enforcing contracts and resolving insolvency¹⁵⁴.

¹⁴ <https://archive.doingbusiness.org/content/dam/doingBusiness/country/e/eswatini/SWZ.pdf>

¹⁵ Despite the discontinuation of the World Bank rankings, the indicators remain valid

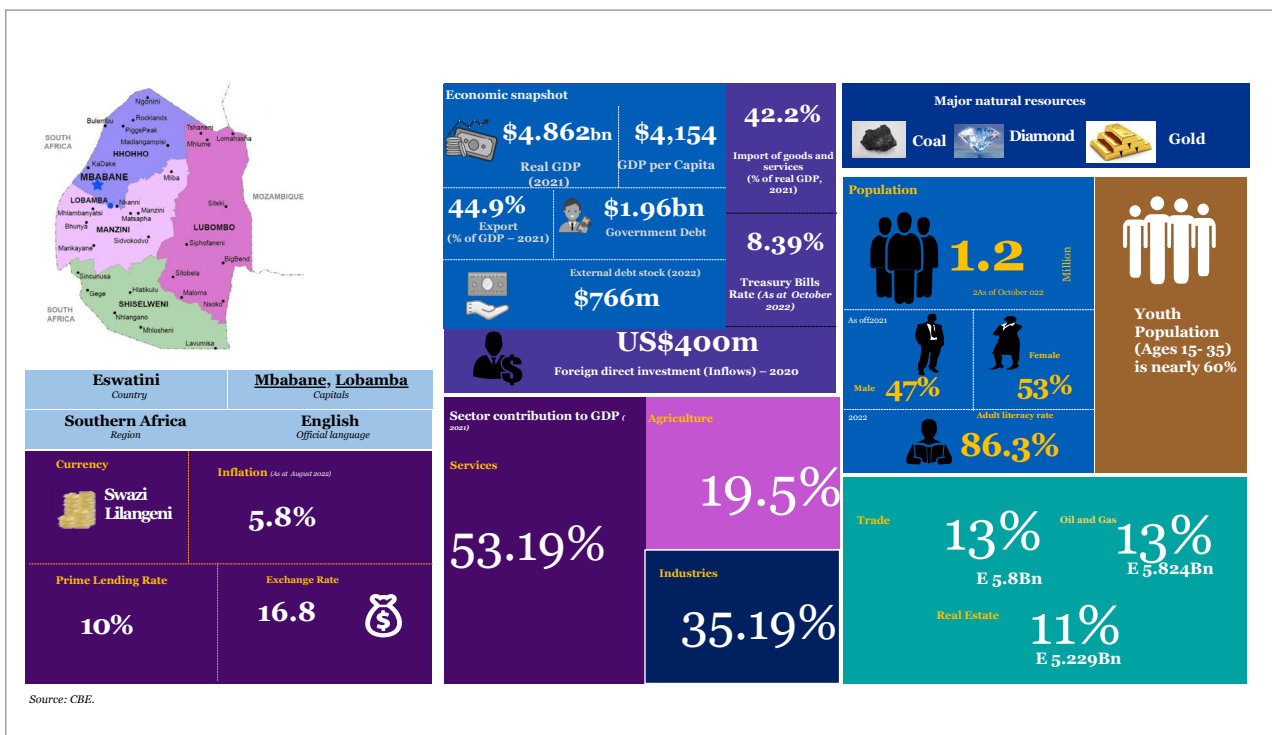


Figure 5: Eswatini At a Glance (Source: Author's compilation)

The economy had a strong rebound in 2021, with real GDP growth at 7.9%, up from a 1.6% contraction in 2020.

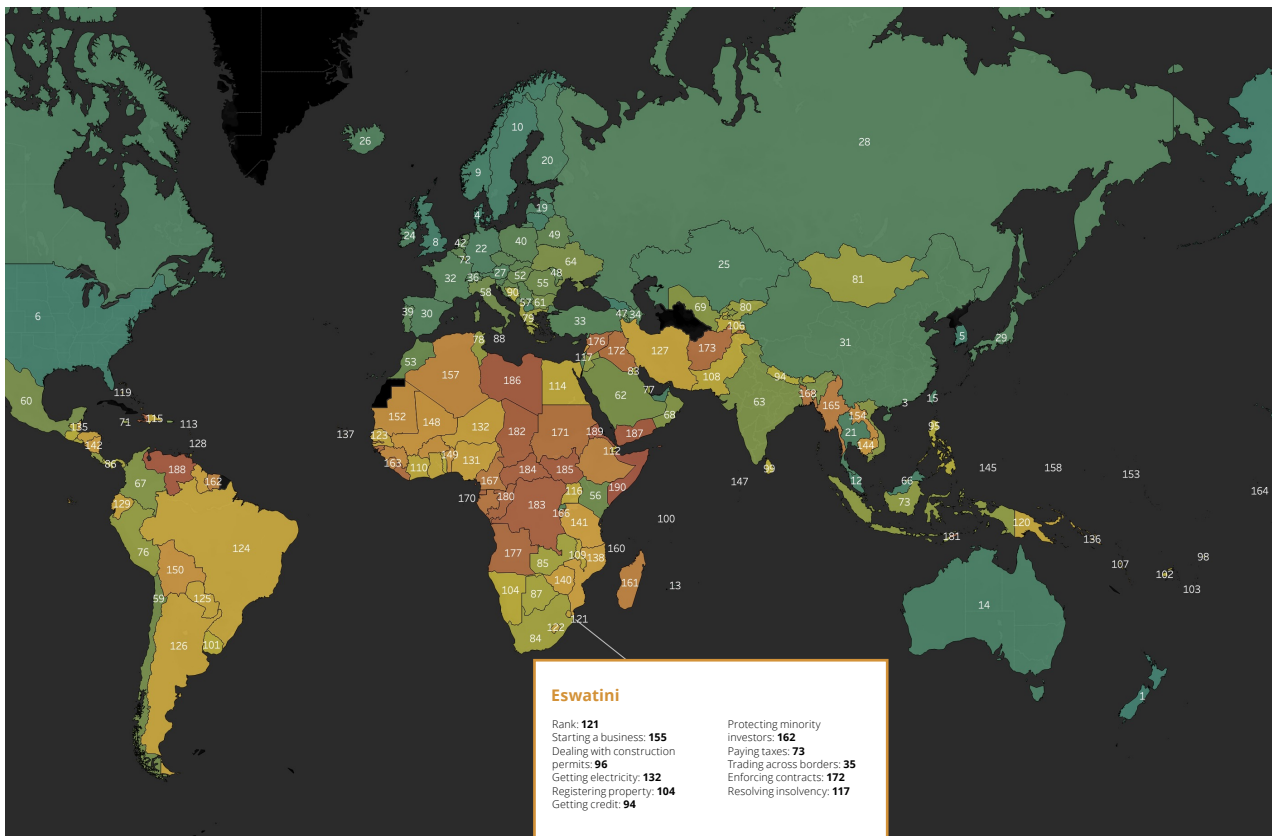


Figure 6: Doing business in Eswatini (2020) (source: Author’s compilation using WBG data)

1.2. The Government Structure

The Kingdom of Eswatini operates a legal system that combines both common law and customary law. Eswatini’s common law is from Roman Dutch law, while customary law is based on traditional Swazi law. The government of Eswatini operates as a unitary state established by the country’s constitution, in which the monarch holds supreme power in the areas of executive, legislative, and judicial affairs.

The Ingwenyama (meaning “lion”) is the hereditary leader of Eswatini and governs the country with the help of a council of ministers and a national legislature. However, the monarch exercises power through modern and statutory bodies, such as the cabinet, and less formal traditional government structures.

The Prime Minister, a member of the House of Parliament, is recommended by the King’s Advisory Council and appointed by the King to head the government. In the

same vein, the King approves the Prime Ministers’ cabinet recommendations.

The Eswatini parliament bicameral Parliament or “Libandla” comprises the Senate and the House of Assembly. The Senate has 30 seats comprising 10 members appointed by the House of Assembly and 20 members appointed by the monarch. All Senate members serve five-year terms. The House of Assembly has 65 seats and includes 10 members appointed by the monarch and 55 members elected by popular vote.

Like the Senate, House of Assembly members serve five-year terms. The country holds parliamentary elections every five years upon the King’s dissolution of parliament. The most recent elections took place in September 2018. During these elections, all candidates run on a non-party basis. The elections and boundaries commission oversees all election procedure.

The King passes into law all legislation passed by parliament.

2.1.3. Judicial System

There are two categories in the country's court system: the traditional Eswatini National courts and the common law courts. The Supreme Court is the highest court in the land and hears appeals from the High Court. It also has the power of discretionary appellate review for cases originating in other courts. The High Court has original jurisdiction in most civil and criminal cases and can hear appeals from lower courts or tribunals.

There are also Magistrates' Courts in Eswatini, which are established under the Magistrate Courts Act of 1993. These courts have limited jurisdiction based on the amount of the claim and litigants can appeal judgements in the High Court. In addition, there is the Industrial Court, which is a special court created by statute with limited jurisdiction and governed by the Industrial Relations Act 2000. This court has broad jurisdiction over matters related to industrial relations. The Industrial Court of Appeal makes appeal decisions.

Eswatini National Courts have jurisdiction over minor criminal offences, and minor civil disputes governed by customary law. The National Court system comprises the Swazi Courts, Eswatini Courts of Appeal, Higher Eswatini Court of Appeal, and the Judicial Commissioner. The Swazi National Courts Act of 1950 governs the courts which follow Eswatini law and customary law.

2.1.4. Regional Alliances

The Common Market for Eastern and Southern Africa (COMESA) is a 21-member state and 586 million people's community, comprising Africa's largest market for trade and investment. As defined in its treaty, COMESA is 'an organisation of free independent sovereign states which have agreed to co-operate in developing their natural and human resources for the good of all their people'. Within the group, COMESA members have access to more competitive markets, monetary sector policies and communications infrastructure.

The Southern African Development Community (SADC) is a 16- state inter-governmental organisation established in 1992. The main objectives of SADC are to achieve development, peace and security, and economic growth, to ease poverty, enhance the standard and quality of life of the peoples of Southern Africa, and support the disadvantaged through regional integration, built on democratic principles and fair and sustainable development.

2.2. Eswatini's Financial Sector

Eswatini's finance sector comprises 5 core sectors highlighted in Table 1 and two regulators. With gross assets of 110% above GDP, non-bank financial institutions (NBFIs), pensions and asset management accounts for the size and growth. In all, NBFIs account for 18.5% of banking sector deposits (5.1% of GDP), holding foreign assets of 33.1% of GDP. Assets in the banking sector are over 5% of GDP.

The Central Bank of Eswatini (CBE) is the banking and payments supervisor, promoting monetary stability and fostering a stable and sound financial system, regulating the banking sector. The Financial Sector Regulatory Authority (FSRA) is the integrated agency for regulating and supervising non-bank financial institutions. In protecting financial systems stability, the FSRA monitors the safety and soundness and business conduct of FSPs whilst promoting fair competition, efficiency and orderliness.

"As a regulator, we only interface with entities once they bring their application to us with their intention to operate in the space. So we are conducting oversight duties and responsibilities in entities that are conducting activities that are legislated in our primary legislation, so that will cut across insurance and retirement funds, capital market participants and credit and savings institutions. So whenever a FinTech would like to play in our space, we entertain them at the entry level and determine suitability in terms of our license requirements and what they intend to be doing in the space."
(FSRA Executive)

Table 1: Eswatini financial services actors (source: Author’s compilation using CBE, FSRA data)

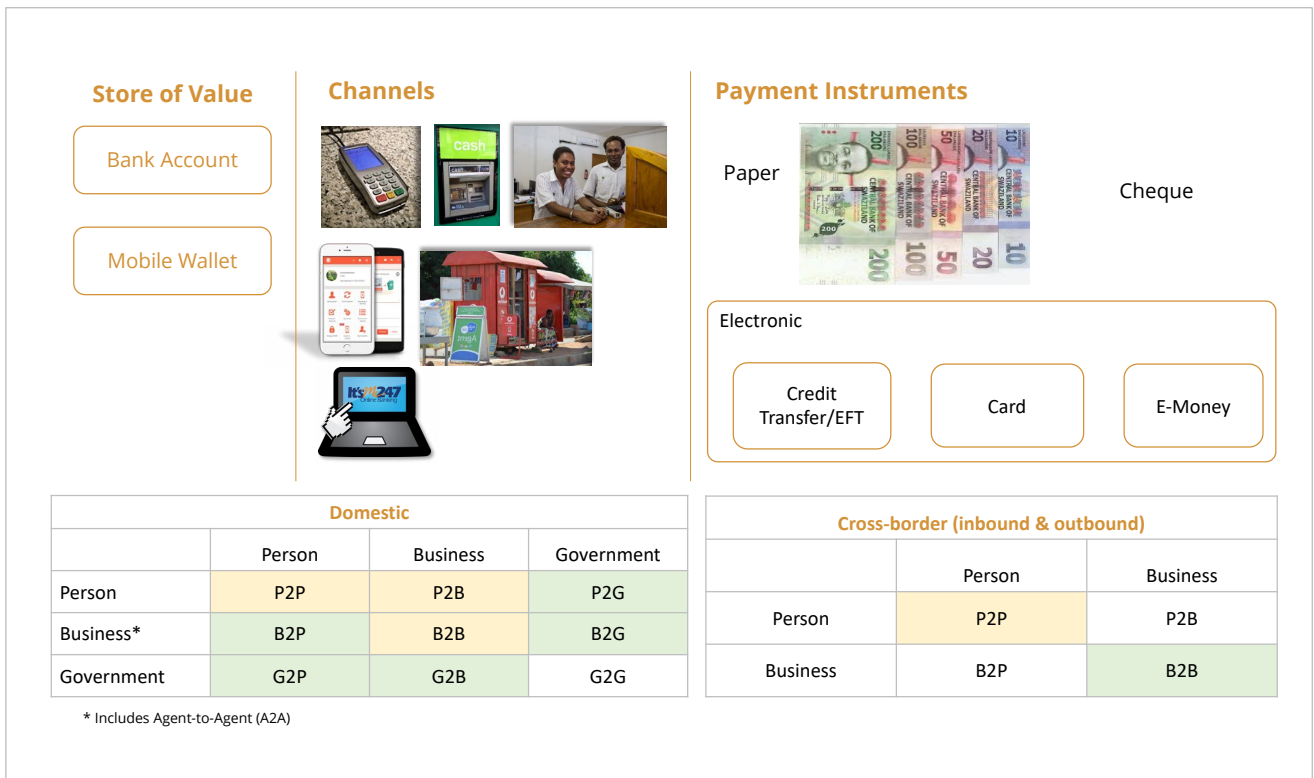
Category	FSP Types	No. Licensed Entities	Regulator/Supervisor
Credit & Savings Institutions	Savings and Credit Cooperative Societies (SACCOs) Building Societies Credit Providers Debt Counsellors Credit Bureaus Money Lenders	179	Financial Sector Regulatory Authority (FSRA)
Insurance & Retirement Funds	Insurance Companies Insurance Brokers Insurance Agents Retirement Funds Retirement Fund Administrators Medical Schemes Medical Scheme Administrators	191	Financial Sector Regulatory Authority (FSRA)
Capital Markets Development	Investment Advisers Dealers Collective Investment Schemes Collective Investment Scheme Managers Trustees/Custodians Central Securities Depositories Securities Exchanges Nominees Investment Advisor Representatives Dealer Representatives	27	Financial Sector Regulatory Authority (FSRA)
Banking Sector	Commercial Banks Building Societies Credit Institutions Mobile Money Service Providers Money Transfer Operators	11	Central Bank of Eswatini (CBE)
Payments	Swaziland Interbank and Settlement System (SWIPSS) Eswatini Clearing House (ECH)	2	Central Bank of Eswatini (CBE)

2.2.1. Banking & Payments

Eswatini’s banking and payments sector, supervised by the CBE, comprises commercial banks, building societies, credit institutions, mobile money service providers (MMSPs) and money transfer operators (MTOs). Three of the four commercial banks in Eswatini are of South African origin. Three MMSPs serving over 650,000 adults using both electronic and paper instruments and channels operate in the Kingdom. According to World Bank 2021 estimates, there are about 6.5 bank branches for every 100,000 adults¹⁶. Figure 7 illustrates the banking and payments ecosystem and payments use cases.

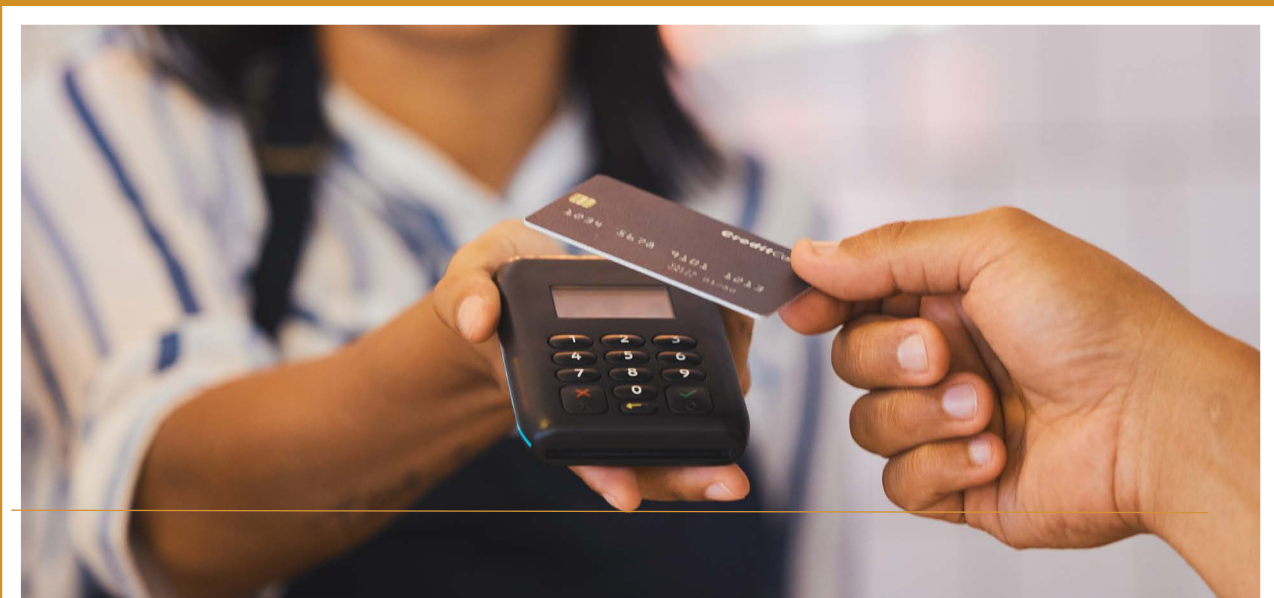
The Eswatini payments landscape comprises two major infrastructures, the Swaziland Interbank and Settlement System (SWIPSS) and Eswatini Clearing House (ECH) (see Table 2). To modernise the payments system, the CBE developed the 2009–2016 National Payment System Strategy, comprising key guidelines and regulations and requisite processes for a more efficient and reliable modern payment system. Because of today’s digital antecedents, CBE has revised their approach with a 2021–2025 strategy that seeks to create key ecosystem enablers for a modern and minimal friction payment system, as well as meeting current and future payment needs and mitigating new risks that may threaten financial system stability.

¹⁶ <https://data.worldbank.org/indicator/FB.CBK.BRCH.P5?locations=SZ>



Infrastructure	Owner(s)	Participants	Functions
Swaziland Interbank and Settlement System (SWIPSS)	CBE	Ministry of Finance (Treasury) Commercial banks	Real-time gross settlement (RTGS) for high-value critical payments
Eswatini Clearing House (ECH)	Commercial banks CBE	Commercial Banks Mobile Money Operators (MMOs) Money Transfer Operators (MTOs)	Processing interbank retail payments

Table 2: Eswatini payments infrastructure



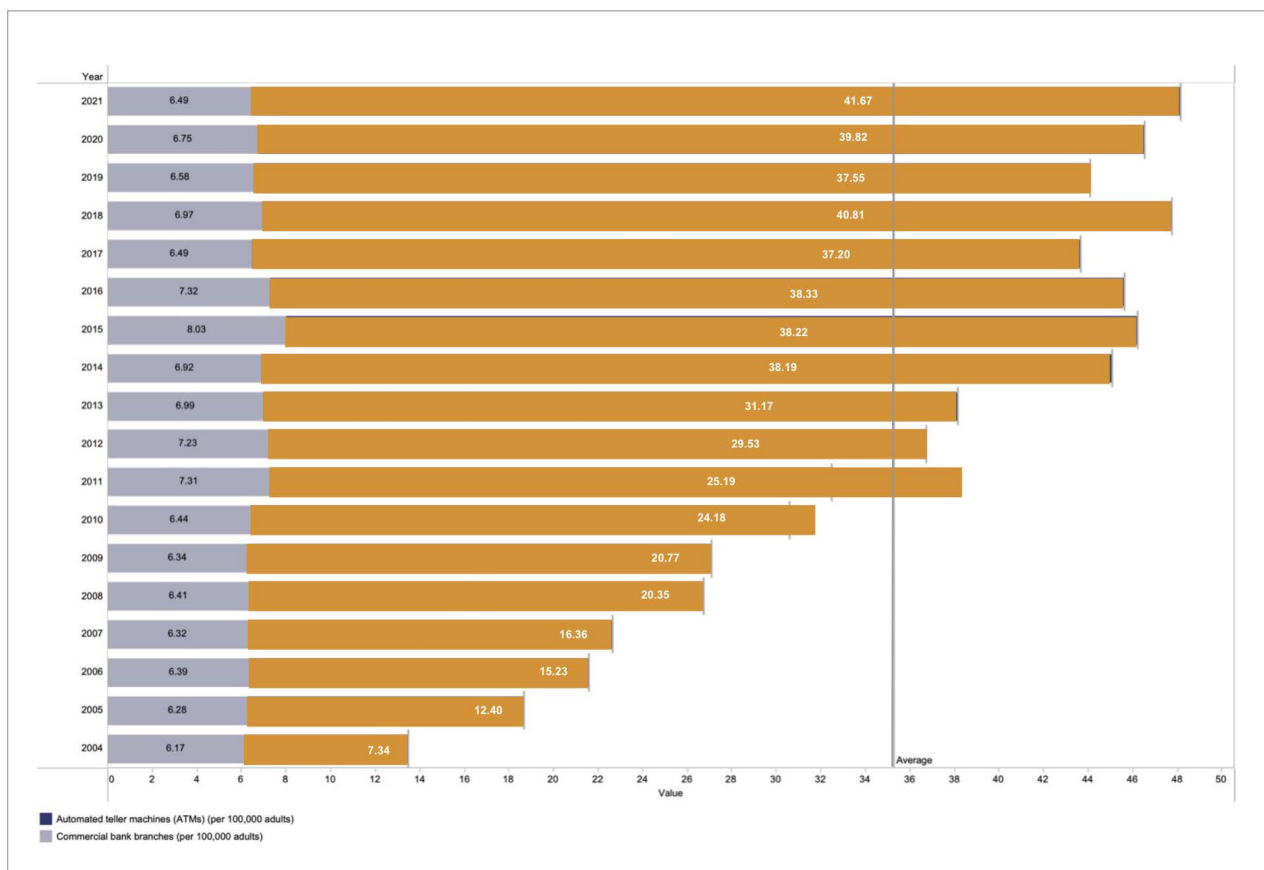


Figure 8: Financial Sector Indicators: Channels (source: Author’s compilation)

The Transactions Cleared On An Immediate Basis (TCIB) is a cross-border payment scheme for the SADC region. The regional switch leverages the SADC SIRESS RT-GS facilitating low-value (retail) real time payments on an immediate clearing and deferred settlement basis. TCIB launched in 2021 after a pilot and is open to all banks and mobile money operators.

2.2.2. Credit & Savings

The credit and savings sector comprises bank and non-bank financial institutions, with credit financial institutions (CFI) and savings and credit co-operatives (SACCOs) contributing a significant portion of household credit. Retail deposits form a significant proportion of bank operations, with demand deposits of E5.8 billion and savings deposits of E753.6 million.

2.2.3. Insurance & Retirement Funds

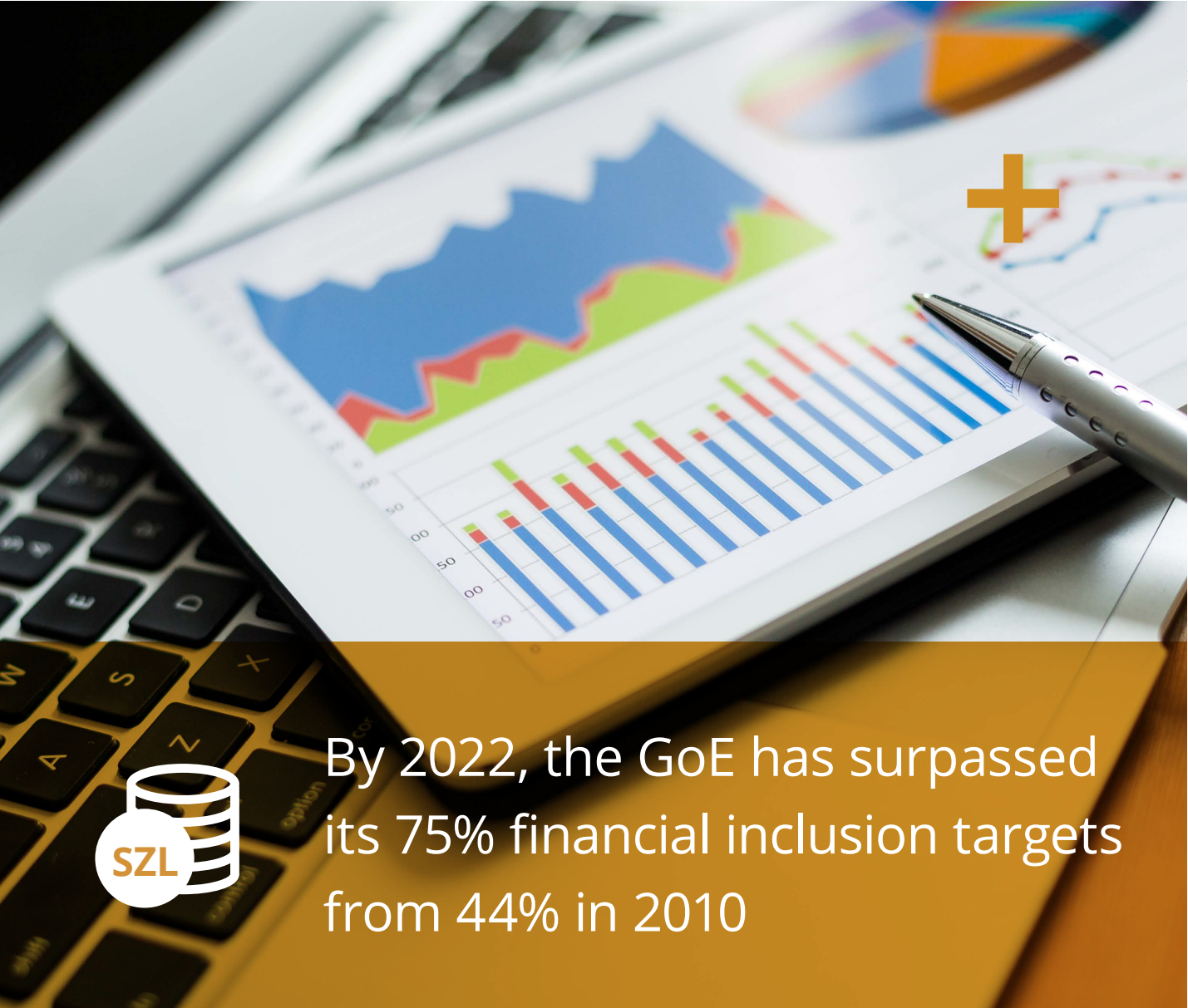
By the end of 2020, Eswatini retirement fund assets reached E36.7 billion, of which 41% are in foreign equities,

primarily the Johannesburg Stock Exchange (JSE). Two broad categories of funds exist - local and international. The local funds are further split by type statutory, privately administered umbrella and beneficiary funds.

2.2.4. Capital Markets

The Eswatini capital markets industry comprises twenty-seven (27) licensed entities, made up of collective investment scheme managers (6), investment advisers (14), exempt dealers (1), stockbrokers (3) and securities exchanges (1). Eswatini’s capital market sector, supervised by the FSRA, seeks to develop a capital market devoid of investment barriers.

The total assets under management (AUM) exceed E30.6 billion, invested across 3 geographic regions - domestic (20%), common monetary area (47%), and offshore (33%). Institutional retirement funds make up the major share of the funds in the capital market (73%), followed by collective investment schemes and companies (8% each).



By 2022, the GoE has surpassed its 75% financial inclusion targets from 44% in 2010

“The role of the CFI is to be a capitalistic player in the financial sector to drive financial inclusion.”
(CFI Executive)

2.2.5. Financial Inclusion

Financial inclusion interventions in the Kingdom of Eswatini date back to 2010 with the launch of the Microfinance Unit (MFU) within the Ministry of Finance. The major goal being to implement the IFAD supported Rural Finance and Enterprise Development Programme (RFEDP) facilitating access to financial services for the rural population and the micro and small enterprises (MSEs).

“The role of the CFI is to be a capitalistic player in the financial sector to drive financial inclusion.” (CFI Executive)

The Centre for Financial Inclusion (CFI), a policy-advocacy unit within the Ministry of Finance, coordinates and monitors the supervises the National Financial Inclusion Strategy (NFIS) implementation. The CFI works in collaboration with all stakeholders across key thematic areas like SME financing, women and youth, digital and data, agricultural finance, rural finance.

“We work with moral suasion rather than having enforcement as part of our regime, as opposed to a regulatory regime.” (CFI Executive)

By 2022, the GoE has surpassed its 75% financial inclusion targets from 44% in 2010. The strands in Figure 9 illustrate the progress and timeline in Figure 10 highlights key milestones. Like most emerging and developing economies (EMDEs), mobile money has been catalytic in growing access, the ongoing revision of the NFIS would prioritise other indicators (usage, quality and impact) as well as access to financial products, using FinTech (inclusive FinTech).

Like the CFI, a FinTech executive explains the opportunity for FinTech to reach the share of the population using mobile money and the need for driving platform utility. “The end game being multiple uses on the platform. In terms of uses of the platform, I don't think we are close to exhausting that. So there's still an opportunity to in that and also to make a bit more money. So there's still more to add on the platform and there's still more population to

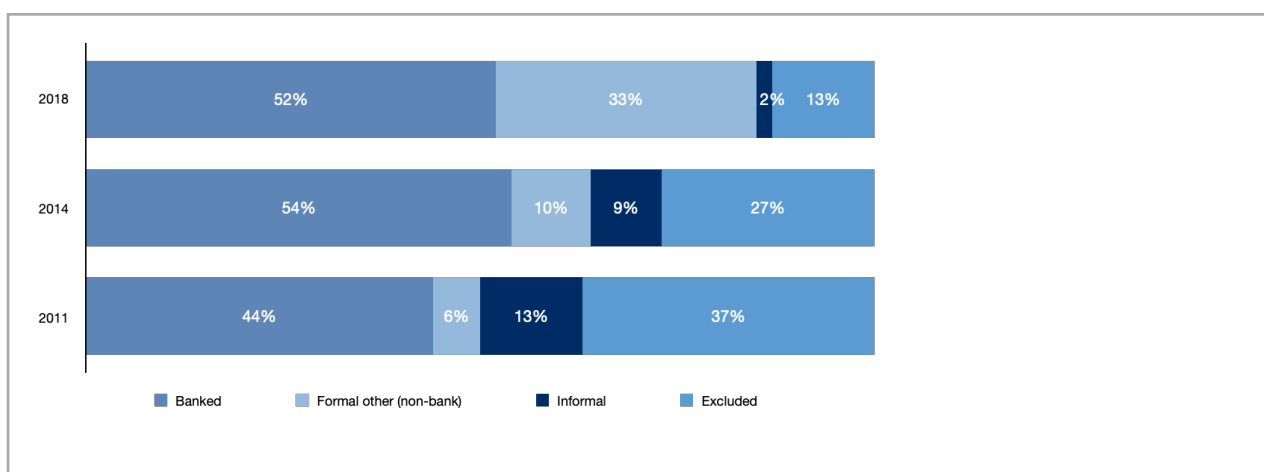


Figure 9: Financial Access Strands (2011 - 2018) (source: Author's compilation using Finscope data)

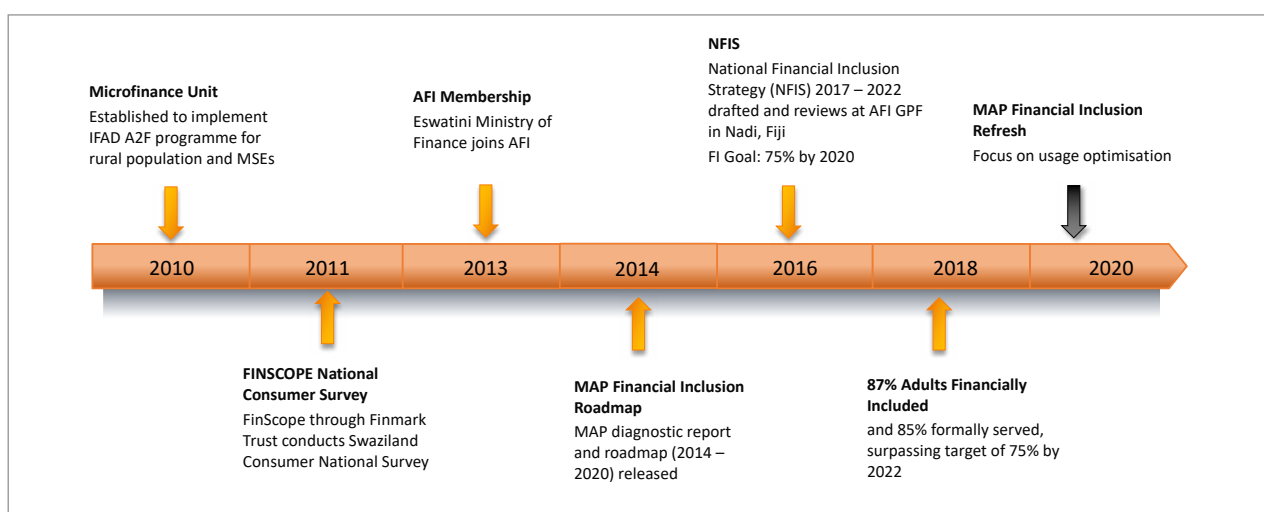


Figure 10: FI milestones (source: Author's compilation)

2.3. Digital Eswatini

ICT is a key driver for economic growth and sustainable development in the Kingdom of Eswatini's National Development Plan 2023/24 - 2027/28 and is a recognised catalyst for socio-economic development. The Ministry of Information and Communications Technology, established in 2009, is the GoEs implementing agency driving access to affordable ICTs, providing ICT services and policies, with parastatals under its supervision. The ICT sector comprises the following sub-sectors, including telecommunications, broadcasting (includes television, film, and radio), information and print media and internet service providers (see Figure 11).

“Within the national development planning process, it's just to create some economic opportunities for key players so that they can participate within the economy and ensure that whatever they are doing, they are able to improve people's lives. It's all about the value of Emaswati.” (Executive, Min Economic Planning)

Substantive ICT legislations, like the Electronic Communications Act (2013) and Swaziland Communications Commission Act (2013) support the telecommunications industry. Eswatini's Computer Crime and Cybercrime Act (2002) addresses computer-related offences. Sectoral subsidiary legislations and directions include the E-Government Strategy for Swaziland 2013-2017, Swaziland's National Development Strategy, Vision 2022 and the National Cybersecurity Strategy 2022 - 2027.

Telecommunications indices measure Emaswati adoption of information and communications (voice and data) access. With three licensed mobile operators - MTN Eswatini, Eswatini Mobile and Eswatini Posts and Telecommunications Corporation (EPTC) - user adoption of mobile telecommunications has exceeded 1.23 million and

surpassing the population of 1.18 million. With over half a million internet users, internet penetration is below 50%, while social media usage is about 34.6%.

Notwithstanding these ICT developments, Eswatini ranks 126 out of 131 (see Figure 12) in the Network Readiness Index (NRI), a composite index that measures readiness of countries to exploit ICT opportunities. NRI scores and ranks ICT performance across 4 pillars - technology, people, governance and impact, and 12 sub-pillars¹⁷. As the primary basis for participation in the NRI, the technology pillar measures access to ICTs, digital content/applications/services creation, and levels of preparedness for the future. The effective use of technology by individuals and businesses depends on access, resources and capabilities that the people pillar measures. Ensuring citizens and business have safe access to the digital/networked economy requires digital policies and regulations measured by the governance pillar. The impact pillar measures the societal and economic benefits of being a networked economy. Figure 13 highlighting Eswatini's performance vis-à-vis leading SSA markets - South Africa, Kenya and Mauritius, presenting opportunities for technological development and innovations like FinTech.



¹⁷ Portulans Institute (2022) The Network Readiness Index 2022. Portulans Institute.

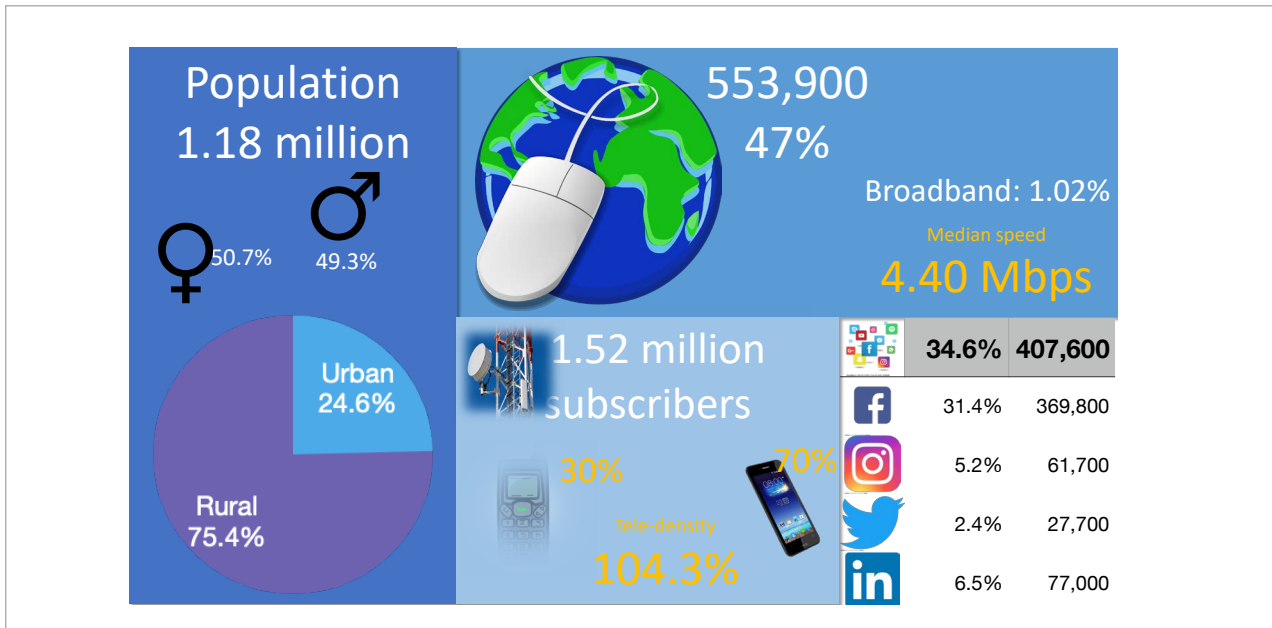


Figure 11: Eswatini IT demand side (source: Author's compilation)



Figure 12: Eswatini ICT supply side (source: Author's compilation)

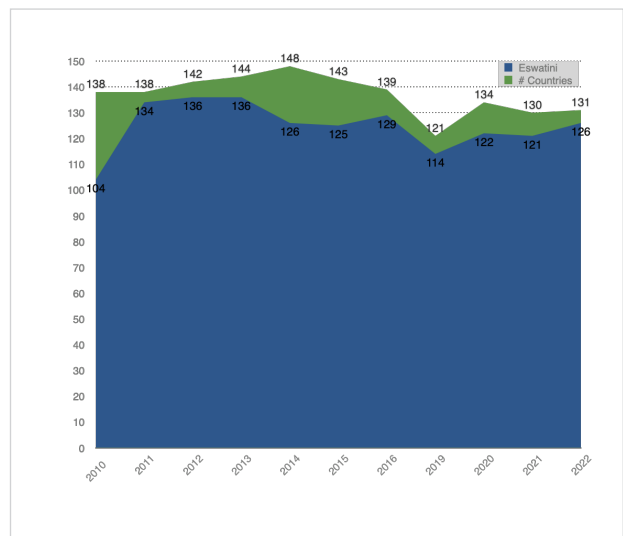
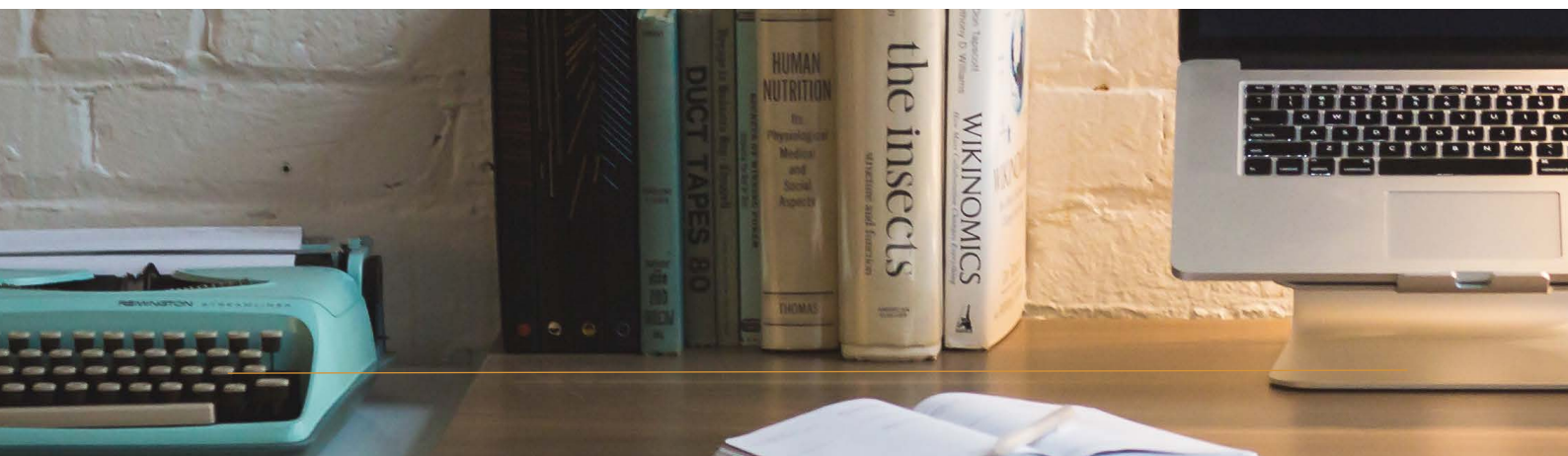


Figure 13: Eswatini NRI performance (2010 - 2022) (source: Author's compilation using NRI data)



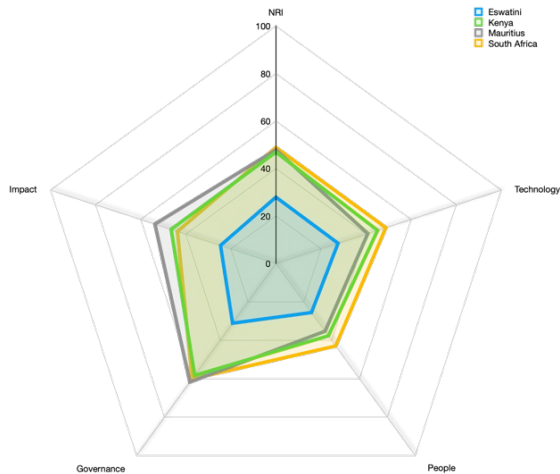


Figure 14: Eswatini vs. Top SSA NRI performers (2022)
(source: Author's compilation using NRI data)

While the digital infrastructure services are adequate for the country's population, securing this national infrastructure is becoming increasingly risky with the rising theft of copper that can disrupt services.

"Taking into account the population, which is a bit low. We have an infrastructure that is adequate. Although sometimes we have challenges, especially in the advent of these guys who are stealing the copper. So those are the main challenges, there is copper theft, which is rife in the country; So you would find that some of the services won't be readily available through the infrastructure." (CBE Official)

2.4. Digital Entrepreneurship/Innovation

The Small Enterprises Development Company (SEDCO) and Royal Science and Technology Park (RSTP) are two public enterprises supporting enterprise development in Eswatini. SEDCO stimulates homegrown entrepreneurship through interventions like capacity building, business and legal advisory, business incubation, and linkages. Digital entrepreneurship and innovation is a priority and goal of the RSTP which promotes science, technology, and innovation by building the digital infrastructure (data centre), skills (IT school), services (business process outsourcing) and enterprises (business incubation).

RSTP are the innovation drivers of Eswatini and through their business incubation unit, seeks "to help small businesses or start-up enterprises to grow through the early stages of business development, to become bankable and competitive businesses in Eswatini." (RSTP Executive)

The unit supports start-ups with market access and visibility, intellectual property protection and fundraising to ensure the adoption and growth of their innovations. Startup admission into the RSTP incubator requires an idea or concept with either a prototype or minimum viable product (MVP), a narrative of the unique selling point (USP) or competitive advantage, details about the promoters - the founder or team and their capabilities, proof of market need highlighting the opportunity, and funding feasibility and commercial viability (see Figure 15).

"At present moment, we have incubated about 8 FinTech solutions. Out of the 8 solutions, all of them are still



developing.” Last year, we partnered with MTN Eswatini. MTN wanted solutions that could incorporate the mobile money, their mobile money services. So, they wanted a solution that could work with mobile money as a FinTech solution. So, 2 of our 2 of our start-ups that are incubated with us won the competition.” (RSTP Executive)

Innovation hubs are foundational to technology ecosystem developments and from GSMA’s Ecosystem Accelerator programme map¹⁶. Eswatini is home to between 1 and 4 active hubs. The RSTP’s business incubator nurtures innovative startups across priority sectors and services like ICT, biotechnology, agriculture and food and climate and environment. The business incubator offers business facilitation, co-working space, fundraising support, intellectual property (IP) protection and legal services.

Despite having a good score in the starting a business category in the Doing Business In rankings, transitioning these new initiatives into formal business entities is critical to leverage strategic partnerships.

“The number of new entrants limits the domestic FinTech market. There are many people that are trying out in that space, when you look at the number of young entrepreneurs focusing on STEM, but the number of those that are formalised, are running a formal business with the trading license in which you can leverage off are few in our market.” (FinTech Executive)

¹⁶ <https://www.gsma.com/mobilefordevelopment/blog/618-active-tech-hubs-the-backbone-of-africas-tech-ecosystem/>

The Innovators Association of Eswatini is “a platform that promotes the inclusion of innovators in the social and economic advancement of Eswatini”.

“The thinking behind is that each business has a unique solution that they’re providing and if you can innovate how you provide that solution or how you distribute that solution, then you are a good fit to be a member of the Innovators Association of Eswatini.” (IAE Executive)

Entrepreneurs working in technology, consulting, and the arts are members of the network. The goal is to enable entrepreneurs to build innovative solutions and scale. The Association operates an innovation hub, a co-working space where innovators can work with access to resources like computers and the internet.

“That is what the Association is; it’s just meant to catalyse growth of businesses that provide innovative solutions.” (IAE Executive)

The Association engages and maintains relationships with diverse partners across the ecosystem, including development associations, government agencies, universities and students associations. For example, partnerships with universities provide experiential learning opportunities for students serving as interns with startups in the hub. The Association also hosts peer-learning programmes where members share experiences that are of use to other members.



Figure 15: RSTP incubator application process (source: Author’s compilation)

Financial Technology Landscape



03

2.1. Introduction: Ecosystem Development Interventions

The Central Bank of Eswatini (CBE) established the FinTech Unit to spearhead FinTech development and interventions in the banking sector in 2018. The Unit focus areas include policy and infrastructure development as illustrated in Figure 16. In 2019, the CBE FinTech regulatory sandbox launched to enhance FinTech engagements and support live testing of innovative financial products, services, and business models in a controlled environment. Figure 17 highlights key FinTech unit milestones.

"Now the enablement that is prevailing is the regulators using their regulatory tools to allow for sandboxes and that is allowing a bit of FinTech to exist." (CFI Executive)

In 2020, the CBE forged institutional relationships with key stakeholders, the Financial Services Regulatory Authority (FSRA), Eswatini Communications (ESSCOM), the Centre for Financial Inclusion (CFI) and the University of Eswatini (UNESWA), forming the Eswatini FinTech Working Group (EFWG). Through a formal memorandum of understanding (MoU), the EFWG members seek to “provide more automated and informed processes to improve financial literacy in Eswatini, tackle disruptive

technologies and steer inclusive FinTech in the country.

“The support that regulators have put out the for FinTechs with forming the EFWG. I understand regulators have come together to say that we are supporting the growth and development of FinTech Eswatini, and the activities that are being done under that group are trying to support and develop the FinTech Ecosystem.” (CBE Official)

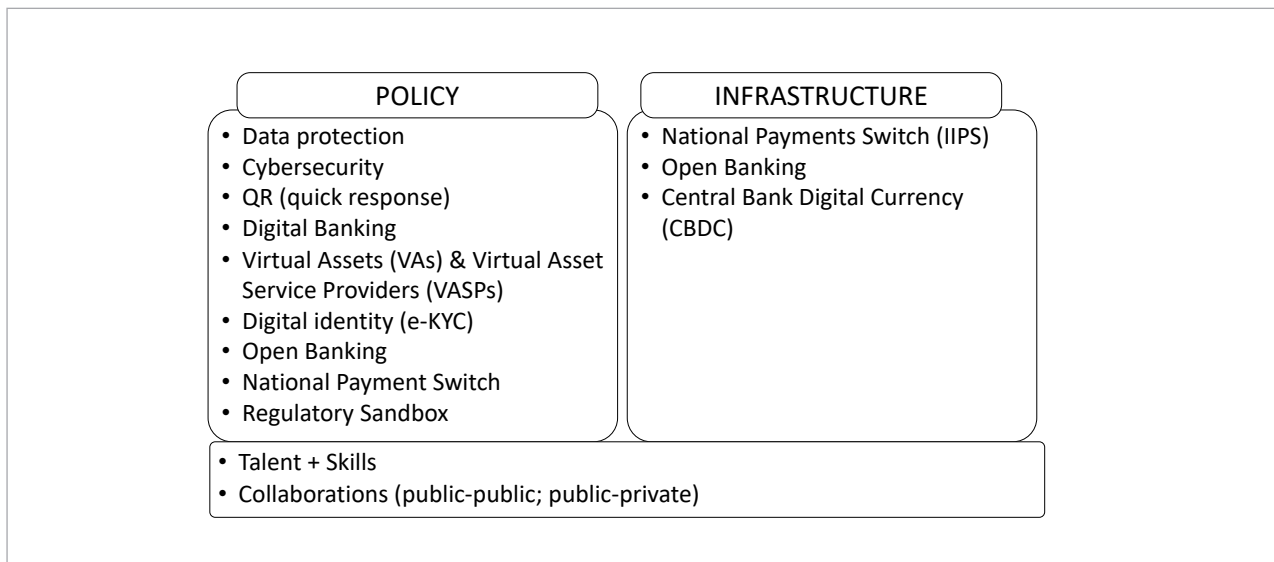


Figure 16: CBE FinTech activities (source: Author’s compilation)

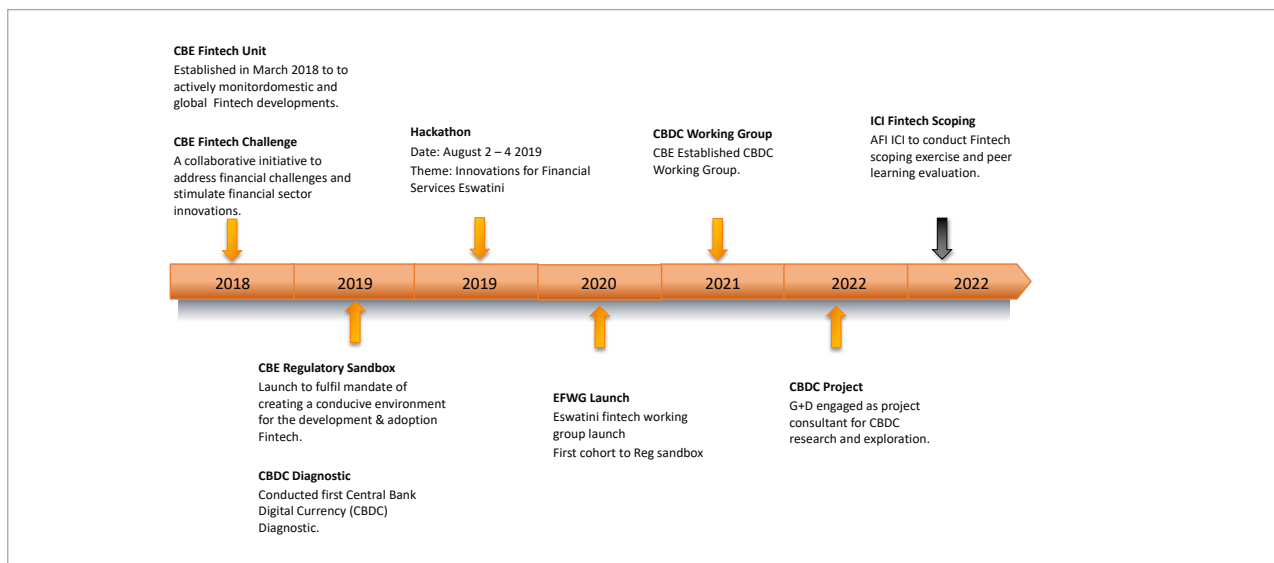


Figure 17: FinTech ecosystem development (source: Author’s compilation)

Policy & Regulation

Eswatini's financial technology ecosystem spans financial services and digital technologies and other institutions listed in Figure 18 alongside key policies (Figure 19) and regulations (Figure 20).

Institution	Mandate
Ministry of Finance (MoF)	<p>The mission of the Ministry of Finance (MoF) is to promote macroeconomic stability in Swaziland by formulating and implementing fiscal and monetary policies that optimise economic growth and improve the welfare of its citizens. Its objectives are to:</p> <ul style="list-style-type: none"> Provide a sound regulatory framework for the country's financial sector Maintain fiscal discipline by providing the Government with effective monetary and fiscal advice. Improve the social well-being of the nation at large by effectively taking part in allocating financial resources and presenting a budget to Parliament, which is in line with identified national priorities. Provide a sound management strategy Collect revenue and manage expenditure efficiently Create an environment which will promote private sector development Supervise and monitor the nation's public enterprise portfolio
Ministry of Information, Communications and Technology	<p>The Ministry of Information, Communications and Technology was established in 2009. Its responsibilities include:</p> <ul style="list-style-type: none"> To provide efficient and cost effective Information & Communications Technology services; Provide policy guidelines and coordinate key information and media development processes within the Government. To provide information through Radio, Television, Publications and other media Technology formats; Collect and preserve public and non public records with enduring value for use by the public and government regardless of format; Provision of advice and direction on national communication policies, licensing regimes and regulatory frameworks designed to support the socio economic and well being of Swazi; Promote lifelong learning
The Central Bank of Eswatini (CBE)	<p>The CBE is the primary regulator of banking and the payment system. Its mandate is to formulate and implement sound monetary policy to achieve financial stability, to regulate and supervise the financial sector to the end of achieving a sound and efficient financial system, and to facilitate the development and operation of an efficient national payment system.</p>
The Financial Service Regulatory Authority (FSRA)	<p>The Financial Services Regulatory Authority (FSRA) is an integrated regulatory and supervisory authority for all non-bank financial services providers in Eswatini.</p>
The Center for Financial Inclusion (CFI)	<p>The Centre for Financial Inclusion (CFI) is a semi-autonomous body under the auspices of the Ministry of Finance (MoF) which coordinates and implements the Financial Inclusion Agenda for the country.</p>
Eswatini Communications Commission (ESSCOM)	<p>The Eswatini Communications Commission (ESSCOM) is the regulatory body responsible for regulating the communications sector in Eswatini, constituting telecommunication services and networks, broadcasting services, postal services and the use and allocation of radio spectrum.</p>
The Registrar of Companies	<p>The key objective of the Registrar of Companies is to ensure legal formation and operations of Companies in Swaziland.</p>
The Intellectual Property Office	<p>The Intellectual Property Office provides and guaranteeing appropriate, effective protection and registration of intellectual property rights through the respective pieces of legislation.</p>

The Eswatini Competition Commission	The Eswatini Competition Commission (ESCCOM) encourages competition in the economy by controlling anti-competitive trade practices, mergers and acquisitions, and protecting consumer welfare
Eswatini Financial Intelligence Unit (EFIU)	The key mission of the Eswatini Financial Intelligence Unit (EFIU) is to safeguard the financial system from illicit use and combat money laundering and terrorist financing through detecting, collecting, analysing and disseminating financial intelligence to stakeholders.
Commissioner for Cooperative Development	The Commissioner leads the Department for Cooperative Development with the Government mandate to support and facilitate developing Cooperative Societies through promotion, business training and supervision.
Eswatini Revenue Service (ERS)	The Eswatini Revenue Service (ERS) is a semi-autonomous revenue administration agency, established through the Revenue Authority Act No. 1 of 2008. It operates within the broad framework of Government but outside of the civil service.

Table 3: Policymaking and regulatory institutions

Legislation	Description
The 2005 Constitution	Eswatini's current constitution dates back to 2005. Prior to this, King Sobhuza II, the father of the current King Mswati III, suspended the country's constitution from 1968 in 1973 through a State of Emergency decree. In 1978, a new constitution was promulgated but not presented to the people. In 2001, King Mswati III established a committee to draft a new constitution, which was released for public comment in May 2003. A revised draft was presented to the advisory parliament on November 4, 2004, but was similar to the version issued in 2003.
Central Bank of Swaziland Order, 1974	The Monetary Authority of Swaziland (MAS) was established in 1974 through an Order of Parliament and became the Central Bank of Swaziland, under the Monetary Authority (Amendment) Act of 1978.
Financial Institutions Act, 2005	The Financial Institutions Act requires financial institutions who carry on banking business to get a license from the CBE.
National Clearing & Settlement Systems Act, 2011	The Act provides for the recognition, operation, regulation and supervision of systems for clearing transfer instructions between financial institutions and places them under the regulatory purview of the CBE.
Exchange Control Order, 1974	The Exchange Control Order empowers the CBE to make regulations for the sale of foreign exchange, gold and securities.
Financial Services Regulatory Authority Act, 2010	The FSRA Act established the FSRA with the mandate to foster financial stability through regulation and prudential supervision of financial services providers.
The Retirement Funds Act, 2005	In 2005, Eswatini adopted South African law and enacted the Retirement Funds Act of 2005 to regulate the business of all retirement funds (public and private) in the Kingdom.
The Insurance Act, 2005	The Insurance Act regulates provision for the regulation and supervision of insurance companies and their intermediaries.
The Securities Act, 2010	The Securities Act was enacted to promote and facilitate developing an orderly, fair and efficient capital market in Eswatini.
Building Societies Act, 1962	The Building Societies Act provides for the establishment and regulation of Building Societies.
Consumer Credit Act, 2016	The Consumer Credit Act of 2016 was implemented in Swaziland in 2017, replacing the Money Lending and Credit Financing Act of 1991, the Hire Purchase Act of 1969, and the Pawnbroking Act of 1894. It codifies the common law for credit agreements.

Cooperative Societies Act, 2003	Cooperative Societies Act, 2003 regulates all cooperative societies, including Savings and Credit Cooperative Societies (SACCOs).
Money Laundering and Financing of Terrorism (Prevention) Act 2011, as amended	The Money Laundering and Financing of Terrorism (Prevention) Act criminalises money laundering and aims to suppress terrorism financing. It establishes a financial intelligence unit and to provide for the forfeiture of ill-gotten property.
Swaziland Communications Commission Act	The Act established the Eswatini Communications Commission and sets out the regulatory functions of the Commission regarding electronic communications, data protection in electronic communications, postal services, electronic commerce and broadcasting.
The Electronic Communications Act 2013	The Electronic Communications Act provides for the licensing and regulation of public communications networks and vesting these powers in the Eswatini Communications Commission (ESSCOM).
Electronic Communications and Transactions Act 2022	The Electronic Transactions Act provides legal recognition of electronic communications and digital contracts, and removes the requirement for certain information to be in writing where an electronic communication satisfies that law if the information or record is accessible to be usable for subsequent reference.
The Data Protection 2022 Act	The Data Protection Act regulates the collection, processing, disclosure and protection of personal data; as well as grant the Eswatini Communications Commission regulatory powers in relation to privacy.
Computer Crime and Cyber Crime 2022 Act	The Computer Crime and Cyber Crime Act creates new classes of electronic and network related offences, establishes National Cybersecurity Advisory Council, as well as grant the Eswatini Communications Commission (ESSCOM) the regulatory powers in relation to cybercrime.

Table 4: Key regulations

According to the 2018 FinScope Study, Emaswati consumers (see Figure 21) engaged in agriculture and trade. With over 50% with high/secondary school education, a large proportion of Emaswati have access to identification documents.

Regarding quality of financial services, while satisfaction levels are high amongst providers, MMOs/MMSPs are the most important actors, with ease of access and safety of funds identified as the salient reasons for the evaluation (Figure 22). As payment instruments go, cash is pervasive and Figure 23 highlights diverse payments use cases and cash dominance. The lack of interoperability is a factor driving cash usage.

“One factor that is affecting is interoperability. This is a problem that we’re seeing with e-wallet services and banking

services. It’s very difficult to move money from, let’s say my X Bank accounts to my Y e-wallet account, and this has resulted to a lot of high cash-in and cash-out activity, where the money is not spent in digital form, but used in cash.” (CBE Official)

Remittances are a major income source amongst male and female genders, with women presenting as more active in the informal sector, receiving more income from informal economic activity; and men in the formal, with higher proportions employed in the public and private sectors.

The utilisation of financial institutions and the nature of activities conducted in these institutions Figure 24 highlights the financial service provider capabilities, strengths and preferences.

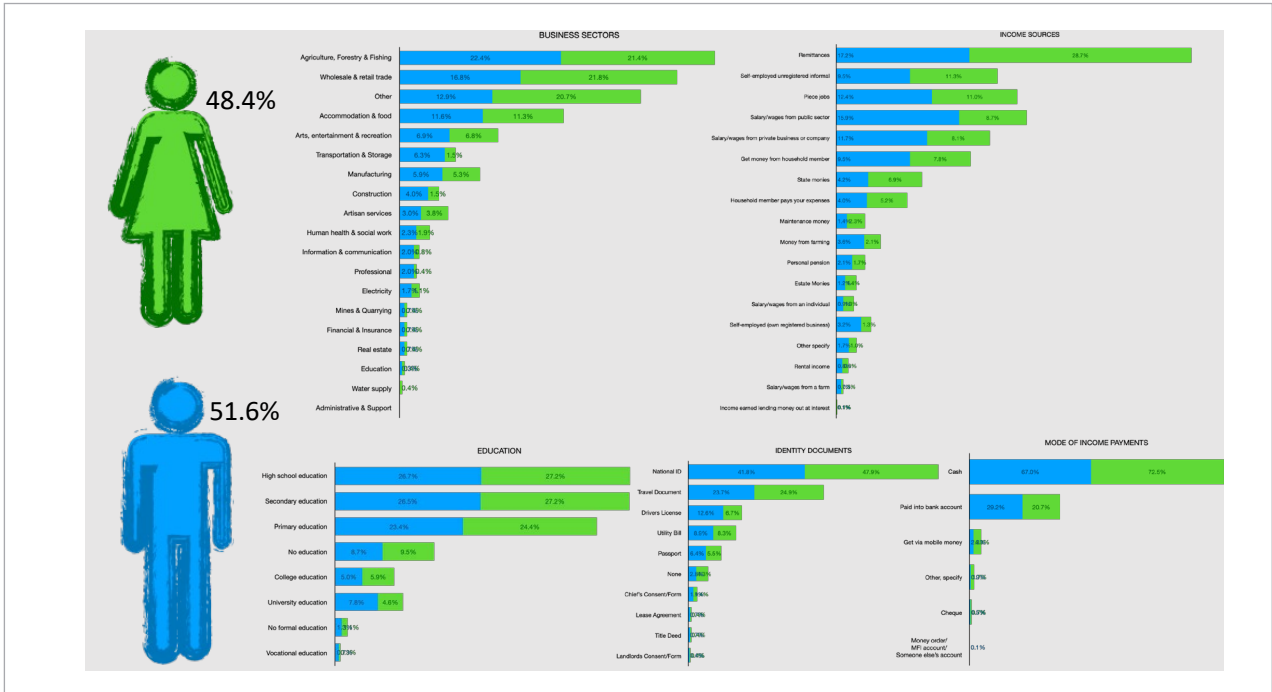


Figure 18: Demographic profiles of Emaswati (source: Author's compilation using Finscope data)

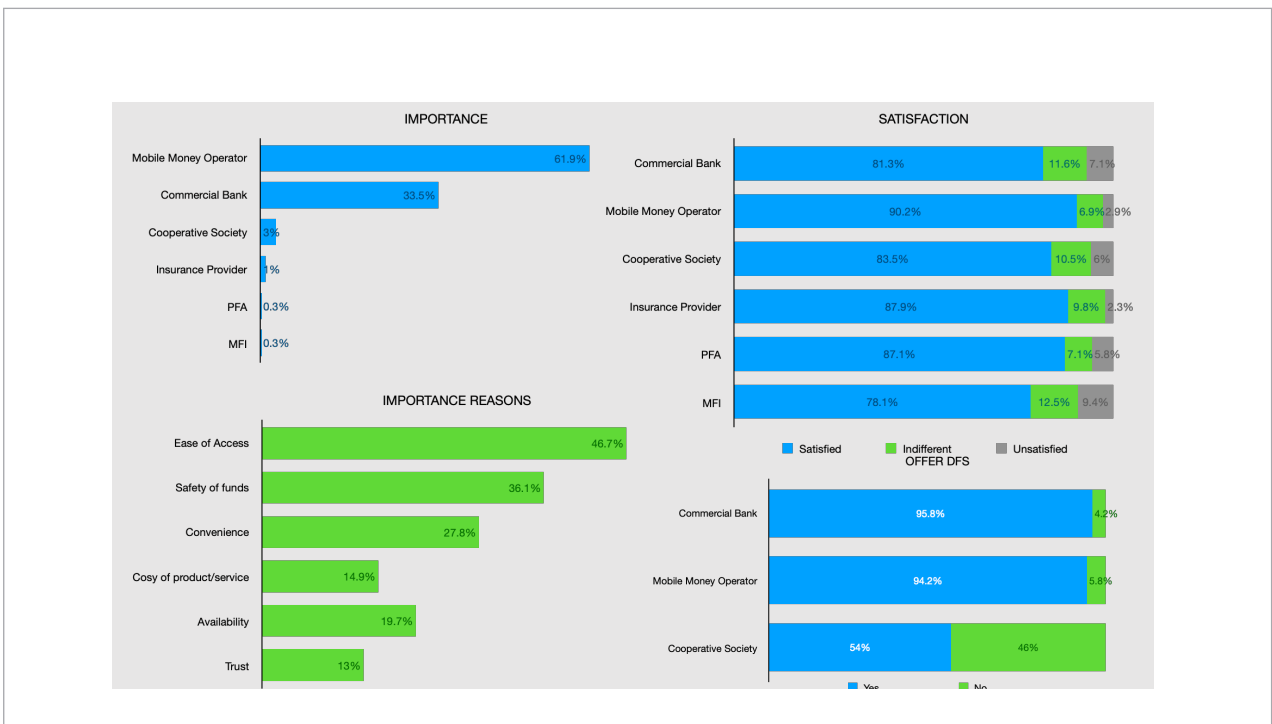


Figure 19: Consumer perceptions of financial services (source: Author's compilation using Finscope data)

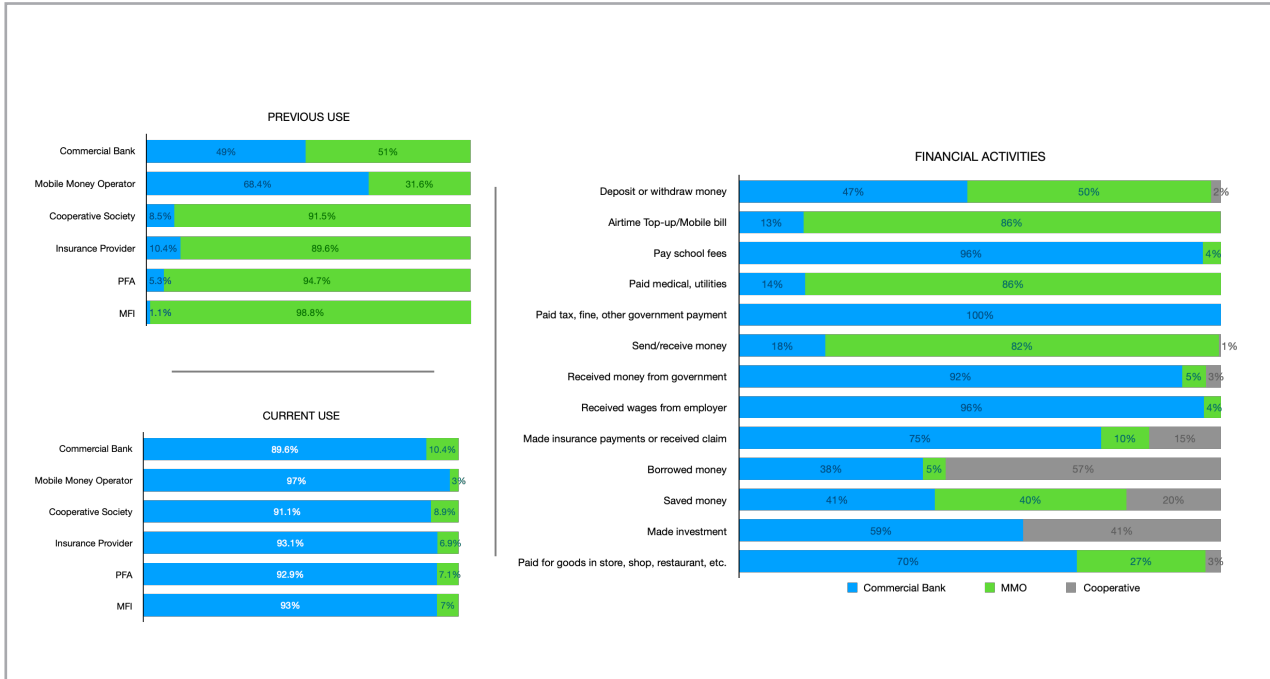


Figure 20: Consumer utilisation of formal financial institutions (source: Author's compilation using Finscope data)

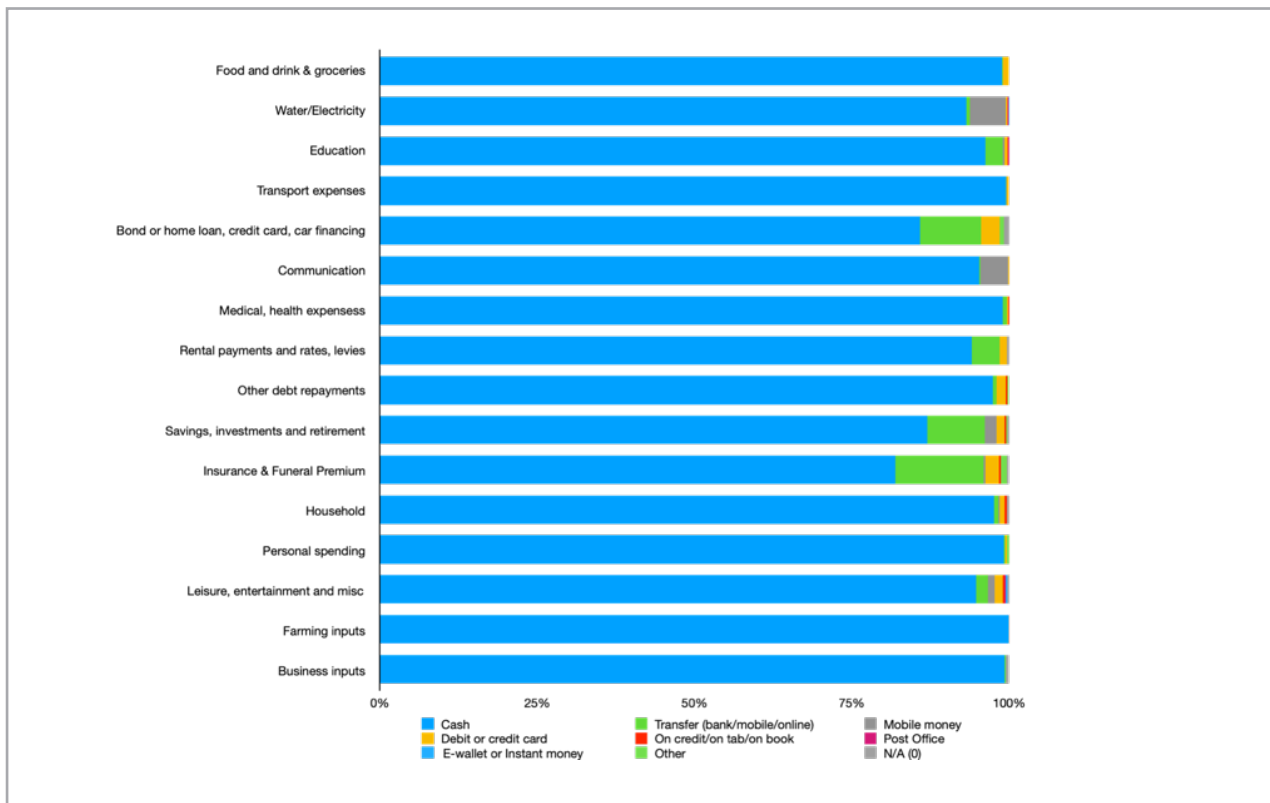


Figure 21: Consumer use cases by payment methods (source: Author's compilation using Finscope data)

In summary, combining the consumer insights and financial inclusion progress shows high levels of access to financial services despite cash dependence and utilisation. This reveals that while Emaswati use bank accounts and wallets as stores of value, the cash utilisation across use cases presents opportunities for digitising payments and introducing digital financial services (DFS) to meet consumer needs. Notwithstanding these opportunities, ease of access, safety of funds and convenience remain paramount.

3.3. Eswatini FinTech Landscape

This section presents Eswatini’s current FinTech landscape using primary survey and interview data. From the survey, we present summary characteristics of the FinTech landscape and follow on with more detailed summaries by FinTech vertical, highlighting existing policies and regulations. The section also presents the as-is status of FinTech drivers like talent and funding.

3.3.1. Characteristics of Eswatini’s FinTech Landscape

With a nascent FinTech ecosystem, the prominence of digital payment FinTech solutions and the customer segments, geographies and sectors covered (Figure 25) highlights

the opportunities for vertical solutions like agro-finance and e-commerce, solutions focusing on women’s financial inclusion and MSEs.

“I may have limited scope in appreciating the entities, because in the payments space, they are there. In the support, credit bureau entities, they are still coming up.” (FSRA Executive)

In Figure 26, we observe that about two-thirds of the survey respondents have a physical footprint in Eswatini, the license jurisdiction and regulatory instrument shows the level of engagement and involvement of incumbent formal providers like commercial banks in the FinTech ecosystem whilst the headquarters location confirms the activity of firms from other markets in Eswatini, especially South Africa. These indicators show the need for more local actors and alternative regulatory instruments.

The FinTech funding imperative is supported by diverse funding sources like grants, debt, equity, accelerator financing and personal savings, a common bootstrapping trend amongst startups (Figure 27). With equity being the largest source of funding, the need for more local actors will need to be complemented by appropriate and sustainable funding sources.

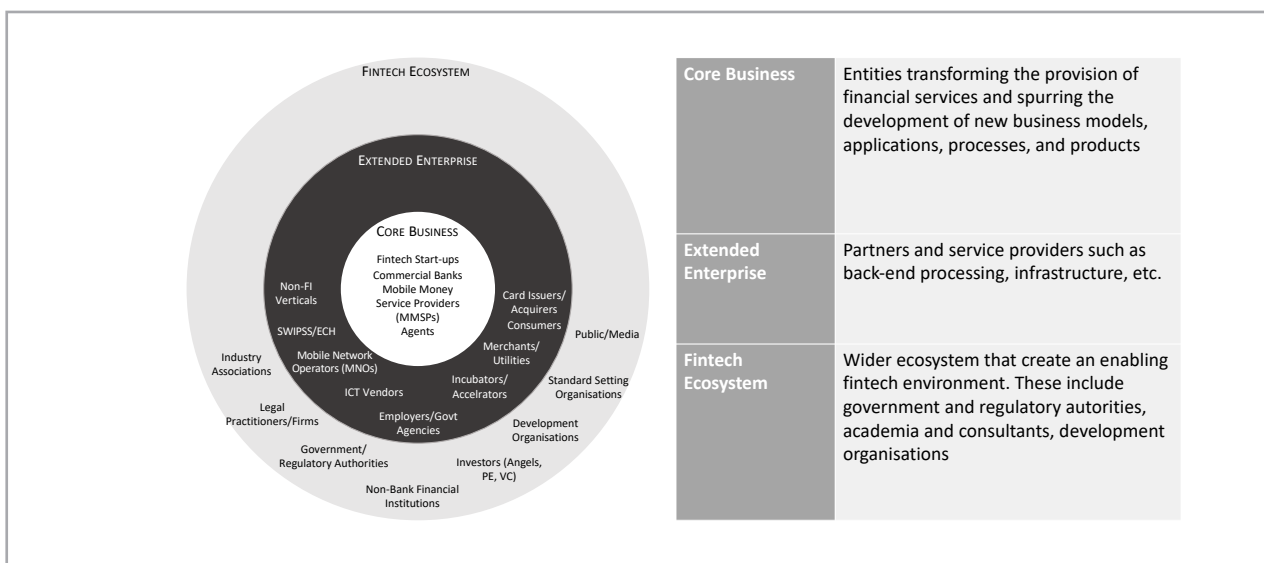


Figure 22 Eswatini FinTech ecosystem

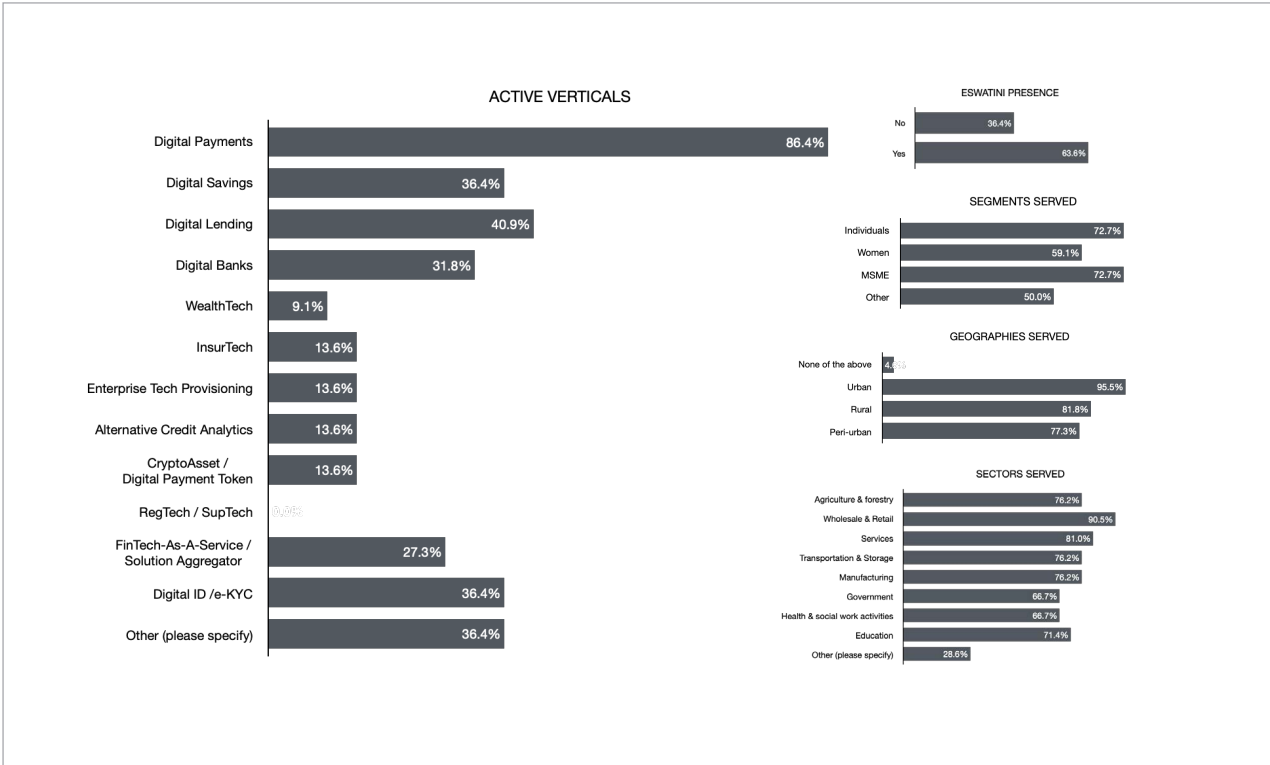


Figure 23: Active FinTech characteristics (source: Author's compilation using primary data)



Figure 24: FinTech licensing characteristics (source: Author's compilation using primary data)

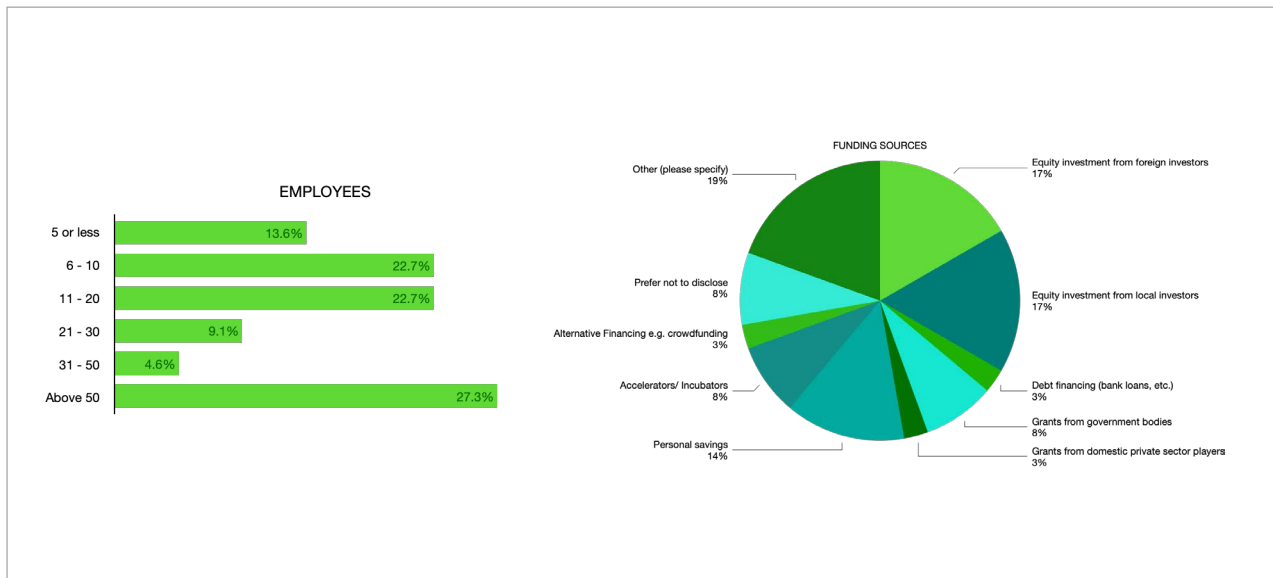


Figure 25: FinTech funding and staffing (source: Author’s compilation using primary data)

The lenses of sectoral distribution, licensing and funding and staffing show the fragility of the startup and domestic actors and the need for multi-dimensional interventions to necessary to building a domestic FinTech ecosystem.

3.3.2. FinTech Verticals

The scoping exercise identified FinTech solutions and activity across 7 financial services sub-verticals and 4 market-enablement sections (Figure 1). The subsequent sections provide additional insights about the FinTech activity, competition, business models and guiding regulations. We conclude this section with a holistic

summary of cross-cutting challenges and opportunities.

The competitive landscape assessment uses Porters Five forces framework, analysing competitive dynamics like the internal rivalry of existing actors, the threat of substitutes and new entrants and the level of power among suppliers and buyers.

For each FinTech sub vertical, the business model framework defines the customer segments and value propositions and how value is captured and delivered, whilst also providing examples of active players.





Figure 26: Eswatini FinTech landscape (source: Author’s compilation using primary and secondary data)

3.3.2.1. Digital Payments

Digital payments, also known as online or electronic payments, refer to digitally-enabled transfers of value between two or more entities. Such payment services range from issuing digital stores of value (e-money) to modes of transfer (channels), merchant acquiring, point of sale (POS) access and backend processing services (switching, aggregation). Despite the extensive business

model, mobile money and money transfer (domestic and cross-border) are more prominent. Table 3 illustrates the business models of the key payments models operating in Eswatini.

“For people to use a specific technology or for a country to adopt a specific kind of technology, it can’t always be a top down approach, You rely on network you fix in order to achieve growth.” (LUNO Executive)



Eswatini’s digital payments ecosystem has the largest number of actors, ranging from commercial banks to non-bank financial institutions offering payments aggregation services. The size of the banking population and cash’s dominance as a payments instrument (see Figure 23) and the prominence of commercial banks and mobile money operators for financial activities (see Figure 24) highlights a need for digital payments innovations.

3.3.2.1.1. Competitive Landscape

The competitive landscape in the digital payments is relatively high with dominant players like commercial banks and mobile money service providers owned by mobile network operators that have access to capital and leverage existing resources. Because the systems are non-interoperable, financial services providers scramble to

onboard subscribers. Besides digitising payments across diverse use cases, service of unserved (rural) locations and electronic scams intensify the rivalry. The lack of interoperability and capital requirements, entry barriers to the digital payments sector is high and include the nascency of business models that can prolong licensing and access to venture capital. Cash is the main substitute. Customer sensitivity to pricing, extensive use of cash and calls to increase mobile money usage embolden customers. The strength of suppliers within the ecosystem ranges from medium to high, depending on the digital payments provider, with existing brands showing more negotiation power and access to global talent over startup FinTechs with limited capabilities.

“The MNO’s are leading the FinTech conversation in our jurisdiction.” (FSRA Executive)

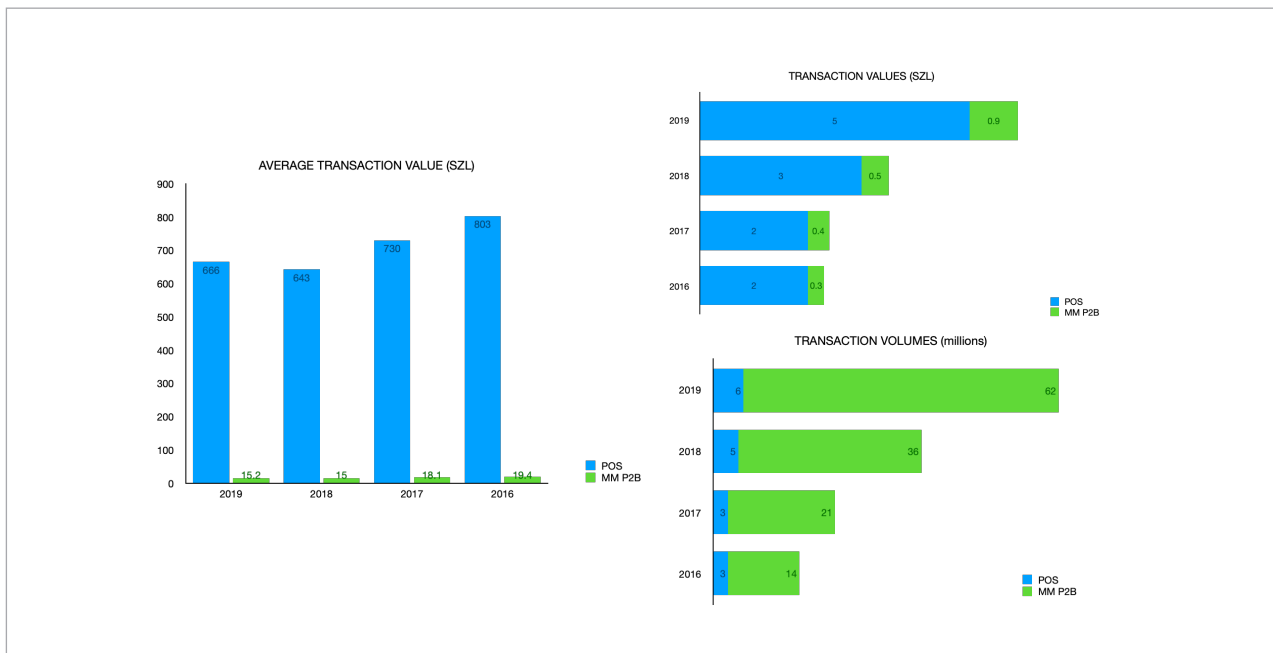


Figure 27: Payments transaction trends (source: Author’s compilation using CBE data)

Models	Customer Segments	Value Proposition	Value Delivery	Value Capture	Key Players
Mobile Money	Underserved Individuals & MSMEs	Affordable Accessible Available Safety of Funds Convenience	Agents Self-service using feature phones and diverse access protocols (USSD, app)	Service/ Transaction fees Float income	MTN FinTech Services e-Mali InstaCash Unayo CashPlus
Money Transfer (P2P, P2B, B2P, B2B)	MSMEs Individuals			Transfer fee	
Digital Remittances (Domestic P2P)	Low-income individuals Middle-class individuals Micro, Small and Medium Enterprises (MSMEs) Young Professionals Corporates	Affordable Accessible Available Simple Acceptance Convenience	Agents Self-service using feature phones and diverse access protocols	Service/ Transaction fees Service offerings to drive network effects	
Digital Remittances (Cross-Border P2P)	MSMEs Individuals	Speed Accessible (countries/markets) Affordable Exchange rates	Physical branch network e-Wallet/bank account integration Correspondent banking network (CBE) ATM POS	Transfer fee	Mukuru Centbee Adhara
Payment Gateways & Aggregators	Online merchants/ MSEs Financial Institutions	Access to payments networks Available Interoperability Settlement Merchant Relationship Management Product innovation	Merchants Agents POS devices/ terminals/readers Web storefront	Transaction/ Merchant discount rate (TDR/MDR) VAS to drive network effects	Trustlink Paysoft Adumo
API Hubs for Payments	Financial Institutions Other Corporates	Network	API portal/Hub/ marketplace	Setup fee Usage fees	Paysoft MoData Pty Ltd DIDx PTY LTD TrustLink
Switching Companies	Financial Institutions Mobile Money Service Providers	Interoperability DFS Channels/ access points Payment instruments	Online	Switching fee Membership fee	SWiPSS

Bulk Payment Solutions - Payroll, Grants, etc.	Businesses Government Institutions	Lower Costs Enhance efficiency	Web portal	Service/ Transaction fees
Acquiring Services Providers for Merchants	Retail merchants/ MSMEs Payers (Emswatin)	Access to payments networks Available Settlement Merchant Relationship Management VAS	POS devices/ terminals/readers	Merchant discount rate (MDR)
Points of Access (PoS, mPoS, online PoS)		Access to payments networks Available Interoperable Settlement Period Merchant Relationship Management		

Table 5: Key payments business models

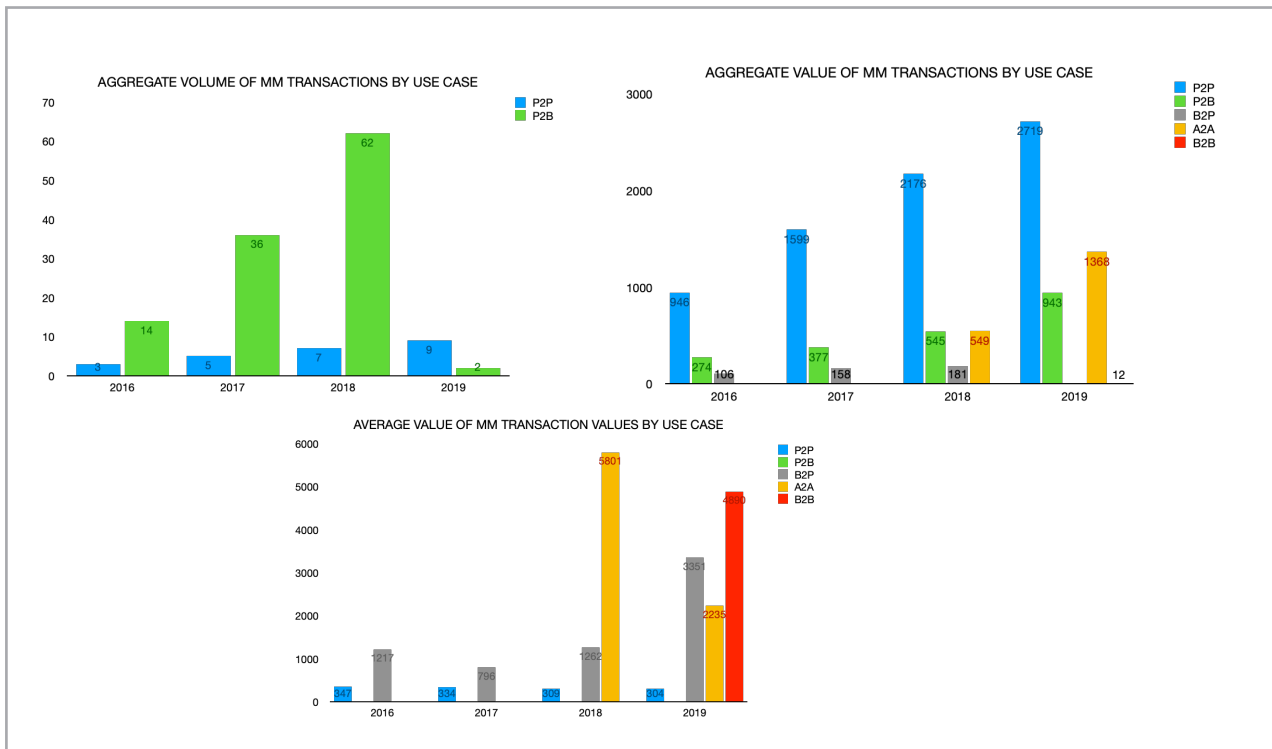


Figure 28: Mobile money transaction trends (source: Author's compilation using CBE data)

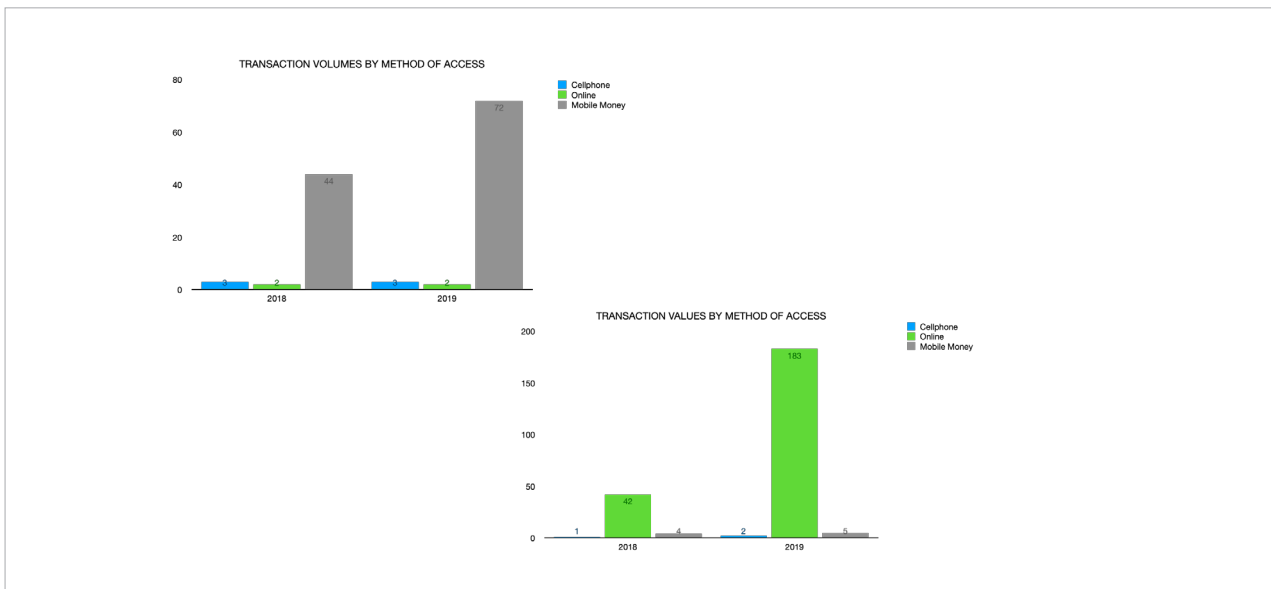


Figure 29: Transaction access methods (source: Author's compilation using CBE data)

3.3.2.1.2. Digital Payments Policy Landscape

The CBE is the primary regulator of the digital payments system that is provided under the main license categories of commercial banking and mobile money operations. Table 4 presents the policy regime for the sector.

Sub-Categories	Provider Types	Regulator	Substantive Legislation	Regulatory Guidelines/Mandates
Payments Services	Commercial Banks Mobile Money Service Providers Money transfer operators	CBE	Financial Institutions Act 2005 National Clearing and Settlement System Act Central Bank of Swaziland Order MLFTP Act, 2011 (amended 2016)	CBE Policy on Licensing of Banking and Financial Institutions Practice Note for Mobile Money Service Providers, 2019 Eswatini National Payment System Vision 2025 Minimum Standards for Electronic Payment Schemes CBE Agent Banking Guidelines (No. 1 of 2019)
Backend Services/ FinTech-As-A-Service/ Solution Aggregator	Commercial Banks Mobile Money Service Providers Non-Bank FIs		National Clearing and Settlement System Act Financial Institutions Act 2005 Central Bank of Swaziland Order MLFTP Act, 2011 (amended 2016)	Minimum Standards for Electronic Payment Schemes Eswatini National Payment System Vision 2025

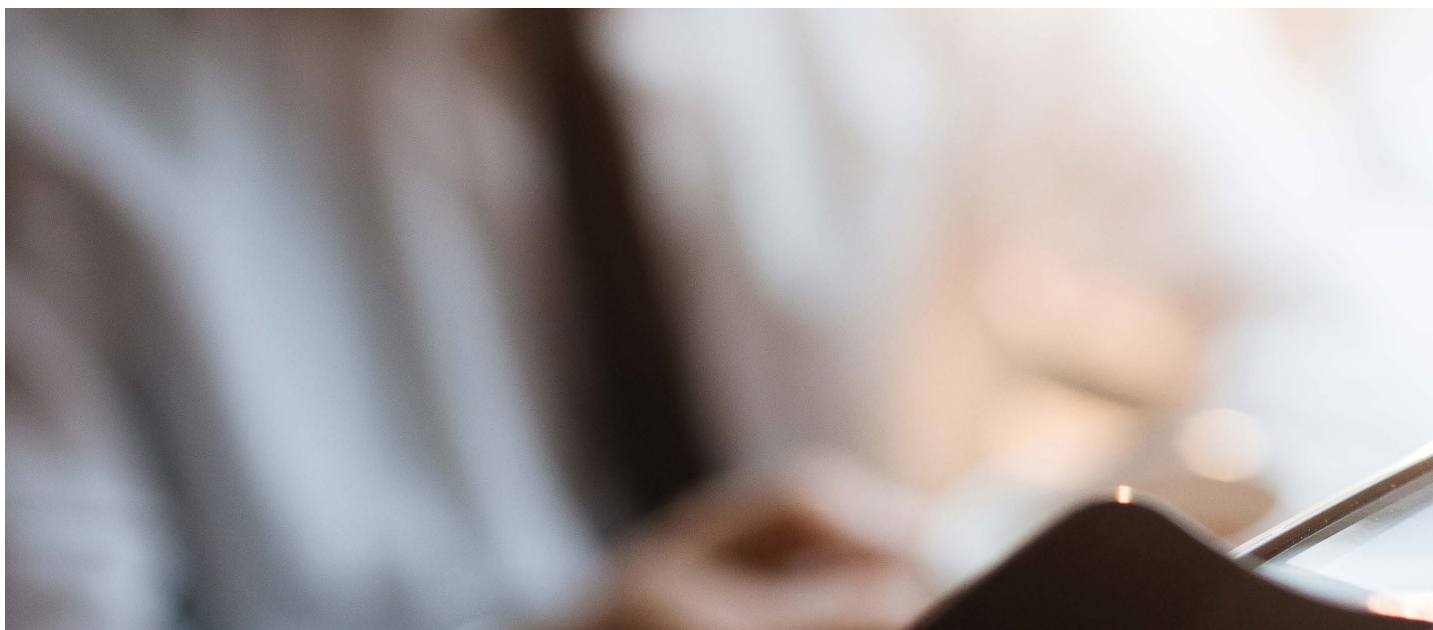
Settlement & Clearing Services Providers	Swaziland Interbank and Settlement System (SWIPSS) Eswatini Clearing House (ECH) The Central Securities Depository SADC Integrated Regional Electronic Settlement System (SADC-RTGS) Regional Electronic Payment and Settlement System (REPS)	National Clearing and Settlement System Act Financial Institutions Act 2005 Central Bank of Swaziland Order MLFTP Act, 2011 (amended 2016)	Eswatini National Payment System Vision 2025 Swaziland Interbank Payment and Settlement System (SWIPSS) Rules & Procedures, 2007 NPSS Oversight Policy Framework
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Table 6: Payments, Policies and Regulations

InstaCash, operated by Directcore Technologies Swaziland, is Eswatini’s only non-telco licensed mobile money service provider. InstaCash opened for business in September 2022 and, in under 6 months, has onboarded about 114,000 subscribers. Directcore Technologies Swaziland is part of an investment banking group incubating InstaCash whilst exploring additional digital financial services opportunities. “Our target customers are people that are primarily excluded from your traditional banking system. So we start with the bank ends.” (Mandla)

InstaCash “starts where the bank ends”, providing services to the rural and excluded segments, including women, youth, farmers and MSMEs. Using different distribution agents (street and storefront) that facilitate cash-in cash-out (CICO), InstaCash offers transactional services like person-to-person (P2P) payments, airtime top-up and utility bill payments. Additional planned product propositions are savings, insurance and credit.

InstaCashes’ business model is to provide the transactional infrastructure/platform providing a payments engine.



Through business alliances, the platform facilitates other financial services like savings, insurance and credit.

“We structure our model this way. InstaCash focuses on the core transaction products. We then get partners that come onto the platform to do transactions.” (Mandla)

InstaCash applied for a license in 2018 and did not receive approval-in-principle (AIP) to rollout a pilot until 2021.

By digitising payments use cases, InstaCash is promoting a cashless economy and extending transactional services on its platform through collaborations with other financial services providers like insurance, credit providers and lottery operators. These plans are still nascent and provide opportunities for FinTech development.

“There are entities that are looking at partnership with insurers that will deploy their payments services along with the products that insurance is offering. We’ve had MNOs playing with the lenders that we are regulating.” (FSRA Executive)

MTN Momo and e-Mali, telco-owned MMSPs, compete with

InstaCash while wallet-based products like CashPlus by FNB and Unayo by Standard Bank also compete.

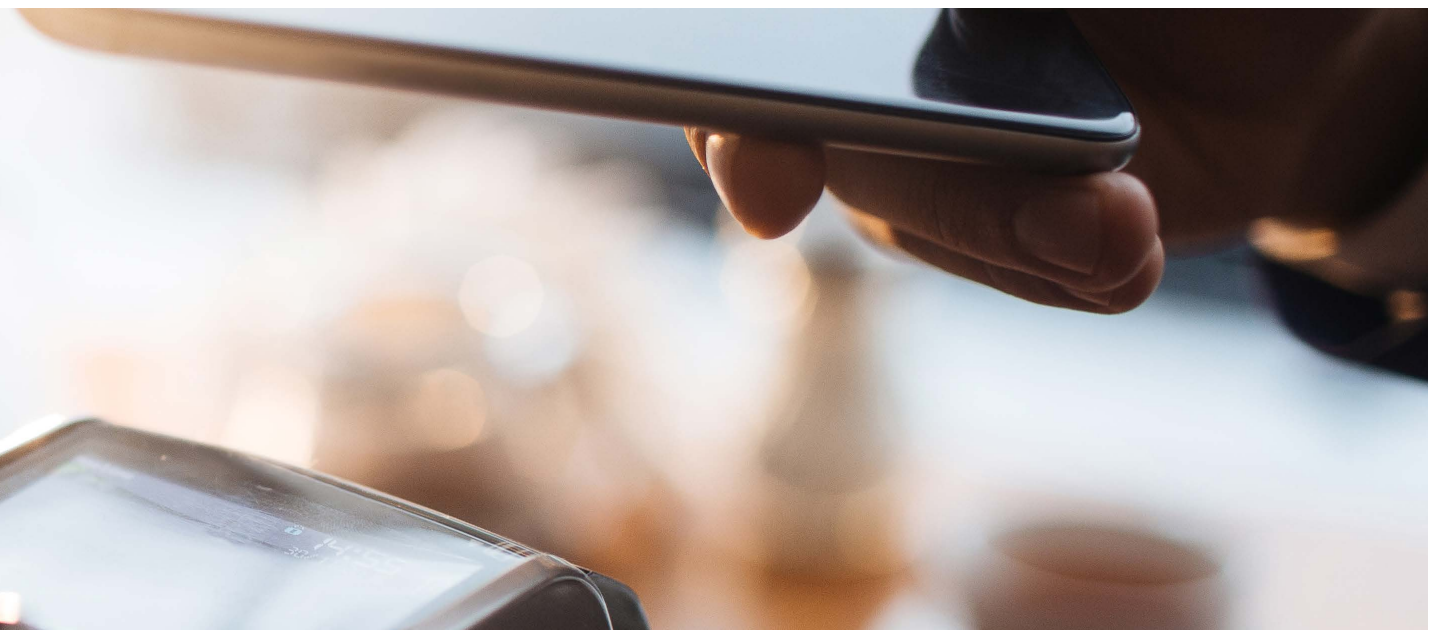
Besides the high literacy levels in the Kingdom and ICT technical know-how, businesses like InstaCash lack talent with knowledge of these novel forms of business.

3.3.2.2. Digital Savings

Digital savings refer to electronic deposit accounts that enable account holders to keep e-money. Digital savings enables specialised targeted savings, collective savings pools and micro savings.

Figure 24 corroborates the FinTech landscape study, where established operators, commercial banks and mobile money operators are the primary savings operators. Notwithstanding, while non-bank financial institutions offer digital savings, the low trust ascribed to new entities limits their ability to scale.

Even though the Kingdom has no specific digital savings regulations, licensed deposit-taking institutions are digitising existing savings solutions to enhance access



through agents. In addition, partnerships between DFS providers and established SACCOs are advancing the digital savings solutions landscape.

3.3.2.2.1. Digital Savings Competition

With banks and MMSPs providing most of the savings services (see Figure 24), interest rates and flexible savings products are competitive factors. The CBE limits interest payment to MMSP subscribers, monetary policy decisions and bank treasury management capabilities are essential components of interest rate determination.

Like payments, extant license frameworks and capital requirements of market entry will limit non-bank financial institutions (NBFIs) operating as FinTechs. Substitute

products include informal savings schemes offered by savings and credit cooperative societies (SACCOs). Economists tie consumer savings capability to the state of the economy and economic activity. The core economic sectors, like agriculture, are rural and subsistence level. With a large rural population, financial institutions need the financial and digital infrastructure to pool savings from across the country and a healthy capital market to deploy the funds. Table 5 presents the digital savings business models.

3.3.2.2.2. Digital Savings Policy Landscape

The CBE, alongside the FSRA have oversight for savings providers, and hence digital savings operations. Even though licensed deposit-taking entities dominate the digital

Models	Customers	Value Proposition	Value Delivery	Value Capture	Key Players
Digital Money Market/Fund	Low-income individuals Micro, Small and Medium Enterprises (MSMEs) Middle-class individuals Young Professionals	Interest Rate Accessible Available Flexibility Affordable	Collection Agents API integrations	Management fee	Unayo
Digital Micro Savings Solutions		Interest Rate Accessible Available Flexibility Affordable Customised savings options Value-added services	Collection Agents API integrations	Management fee	InstaCash
Digital Savings Collective/Pool	Cooperatives (Un-banked Individuals) MSMEs	Accessible Available Affordable Customised savings options Value-added services	Collection Agents	Subscription fee	

Savings-as-a-Service (SaaS)	Non-bank entities (financial & non-financial), e.g. SAACOs	Ease Simplicity	API integration	Service/ Transaction fees Integration fees	MTN FinTech (Imbita Trust)
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Table 7: Key savings business models

Sub-Categories	Provider Types	Substantive Legislation	Regulatory Guidelines/ Mandates	
Digital Money Market/Fund Digital Micro Savings Solutions Digital Savings Collective/Pool Savings-as-a-Service (SaaS)	Commercial Banks Mobile Money Operators Savings and Credit Cooperative Societies (SACCOs) Building Societies	CBE FSRA	Financial Institutions Act 2005 Central Bank of Swaziland Order Financial Services Regulatory Authority Act 2010 MLFTP Act, 2011 (amended 2016) Swaziland Building Societies Act, 1962	Practice Note for Mobile Money Service Providers, 2019 Minimum Standards for Electronic Payment Schemes FSRA Guidelines for Savings and Credit Societies FSRA SACCOs Licensing and Reporting Guidance Notes FSRA Money Laundering and Financing of Terrorism (Prevention) Guideline (AML/CFT) 2016

Table 8: Savings policies and regulations

3.3.2.3. Digital Lending

Digital lending refers to the suite of solutions used to conduct loan origination and authentication, credit evaluation, disbursement and collections. Digital lending encompasses balance sheet lending, marketplace lending platforms, invoice trading, cash advances and debt-based instruments.

Except for the consumer-facing commercial banks and mobile money operators, digital lending FinTechs in Eswatini are providers of lending platforms and solutions. The digital credit landscape is growing with operators like Timali reducing the opacity of credit products, Digimage providing alternative credit profiles with their iCredit solution and the Imbita Trust Fund's partnership with MTN to digitise savings and loan repayments.

Like digital payments and savings, existing regulated FSPs

permitted to lend (commercial banks have and MMSPs) are digitising different stages of their lending activities.

3.3.2.3.1. Digital Lending Competition

The supply side of credit is competitive, with providers dependent on substantive savings pools or other syndicated arrangements, country risk rating and other factors. Other than interest rates, consumer access to credit varies by segment, with individuals and micro and small enterprises (MSEs) being the most vulnerable because of the lack of collateral, steady salary and credit profiles to de-risk the credit, barriers that affect women more (see Figure 21). These barriers to formal credit provide opportunities for services by predatory lenders. Though the FSRA regulates credit providers, financial innovations are yet to become mainstream. Table 7 highlights digital lending business models.

Models	Customers	Value Proposition	Value Delivery	Value Capture	Key Players
Balance Sheet Lending	Micro, Small and Medium Enterprises (MSMEs) Low-income individuals Students Middle-class individuals Young Professionals	Accessible Available Ease, speed and convenience of onboarding and transaction processing Loan value Customised products	Agents/Brokers Digital - mobile apps & online	Interest income	
P2P/ Marketplace Lending (P2PL)		Accessible Available Ease, speed and convenience of onboarding and transaction processing	Brokerage apps Web platforms	Commissions	Timali
Invoice Trading	Micro, Small and Medium Enterprises (MSMEs)	Accessible Available Ease, speed and convenience of onboarding and transaction processing	Web platform	Commissions	
Customer Cash Advance	Individuals	Accessible Available Flexible repayments Loan value	E-commerce platforms	Interest income	MTN FinTech
Merchant Cash Advance	POS Merchants	Accessible Available Ease, speed and convenience of onboarding and transaction processing	Digital - mobile apps & online	Interest income	MTN FinTech

Table 9: Key lending business models

3.3.2.3.2. Digital Lending Policy Landscape

The CBE and FSRA have oversight for credit providers, including digital lending operations. Licensed deposit-taking entities are providers of digital lending solutions and Table 8 presents the extant policies guiding lending in Eswatini.

Timali hosts a financial services platform for inter-mediating consumer loans. Timali connects consumers with registered financial service providers (FSPs) offering borrowing products (loans). By interfacing with bank portals, Timali provides consumers with information about loan products and interfaces for consumers to apply, making the credit process more accessible and transparent.

3.3.2.4. Digital Banks

Digital banks digitalise all banking products and services, processes and activities, including accounts opening and banking transactions. This includes extending banking services outside of conventional bank branches through agency banking and providing banking technologies as a service.

Because of emerging digital technologies and the transition to a digital economy, more financial services are being digitalised. In Eswatini, the digital banking license framework

follows that of traditional banking. With no standalone neo-banks, the Eswatini digital banking landscape is nascent, with offerings like Standard Bank's Unayo best exemplifying the tenets of digital banks. Table 9 presents the digital bank business models.

3.3.2.4.1. Digital Bank Policy Landscape

The CBE is the primary banking regulator and oversight for digital banking services. Table 10 presents the policy regime that mimic traditional banking.

Sub-Categories	Provider Types	Regulator	Substantive Legislation	Regulatory Guidelines/Mandates
Balance Sheet Lending P2P/Marketplace Lending (P2PL) Debt-based Securities Invoice Trading Crowd-Led Microfinance Customer/ Merchant Cash Advance Buy Now, Pay Later (BNPL)	Commercial Banks Mobile Money Operators Savings and Credit Cooperative Societies (SACCOs) Credit Providers Debt Counsellors Credit Bureaus Money Lenders	CBE FSRA	<ul style="list-style-type: none"> » Central Bank of Swaziland Order » Consumer Credit Act 2016 » Financial Institutions Act 2005 » FSRA Act 2010 » MLFTP Act, 2011 (amended 2016) » Swaziland Building Societies Act, 1962 	Practice Note for Mobile Money Service Providers, 2019 Eswatini National Payment System Vision 2025 Minimum Standards for Electronic Payment Schemes

Table 10: Savings policies and regulations

Models	Customers	Value Proposition	Value Delivery	Value Capture	Key Players
Digital Bank	Banked Individuals MSMEs	Accessible Available Ease Digital Flexible	Digital channels - mobile & online	Transaction fees Interest income	Unayo CashPlus
Embedded Finance/Banking-as-a-Service (BaaS)	Non-bank entities (financial & non-financial)	Ease Simplicity	API integration	Service/ Transaction fees Integration fees	
Agent Banking (Cash-in/Cash-out)	Underserved Emaswati	Accessible Cost	Agents	Transaction fees	MTN FinTech InstaCash

Table 11: Key digital bank business models

Services	Provider Types	Regulator	Substantive Legislation	Regulatory Guidelines/Mandates
Fully Digitally Native Bank Marketplace Bank Banking-as-a-Service (BaaS) Agent Banking (Cash-in/Cash-out)	» Commercial Banks » Mobile Money Service Providers	CBE	» Financial Institutions Act 2005 » National Clearing and Settlement System Act » Central Bank of Swaziland Order » MLFTP Act, 2011 (amended 2016)	» CBE Policy on Licensing of Banking and Financial Institutions » CBE Agent Banking Guidelines (No. 1 of 2019) » Eswatini National Payment System Vision 2025

Table 12: Digital bank policies and regulations

Models	Customers	Value Proposition	Value Delivery	Value Capture	Key Players
Balance Sheet Lending	Micro, Small and Medium Enterprises (MSMEs) Low-income individuals Students Middle-class individuals Young Professionals	Accessible Available Ease, speed and convenience of onboarding and transaction processing Loan value Customised products	Agents/Brokers Digital - mobile apps & online	Interest income	
P2P/ Marketplace Lending (P2PL)		Accessible Available Ease, speed and convenience of onboarding and transaction processing	Brokerage apps Web platforms		Timali
Invoice Trading	Micro, Small and Medium Enterprises (MSMEs)	Accessible Available Ease, speed and convenience of onboarding and transaction processing	Web platform		
Customer Cash Advance	Individuals	Accessible Available Flexible repayments Loan value	E-commerce platforms	Interest income	MTN FinTech
Merchant Cash Advance	POS Merchants	Accessible Available Ease, speed and convenience of onboarding and transaction processing	Digital - mobile apps & online	Interest income	MTN FinTech

Table 13: Key investment/wealthtech business models

Sub-Categories	Provider Types	Regulator	Substantive Legislation	Regulatory Guidelines / Mandates
Crowdfunding (investment- & non-investment based) Token Hosting Platform Asset Management Personal Financial Services	Investment Advisers Dealers Collective Investment Schemes Collective Investment Scheme Managers Trustees/Custodians Central Securities Depositories	FSRA	Securities Act, 2010 FSRA Act 2010 MLFTP Act, 2011 (amended 2016)	

Table 14: Capital markets policies and regulations

Standard Bank is a leading South African Bank operating in Eswatini. FinTech developments in Standard Bank are two-fold. First, deploying technology solutions internally to enhance service delivery, and being FinTech providers to enable client services.

“So our relationship from a FinTech perspective as a business in my assessment is twofold. One, it’s the way we bring in that kind of technology to the business to deliver some services to the market. But from a customer perspective, I think it will also mean that we are also FinTech providers because ultimately as a customer you are interacting with that technology somewhere sitting anyway in our geography.”
 Bank Executive

Standard Bank uses 3 engagement models to build their FinTech portfolio. First is internal development; second is equity investments and third is partnerships with other FinTechs.

Product Focus

Unayo, meaning ‘You have it’, is Standard Bank’s global digital banking platform connecting individuals, businesses and communities. Available in select African markets, Unayo supports digital payments, funds transfers and other financial solutions. Unayo is accessible both by

mobile app or USSD.

3.3.2.5. Digital Investments/WealthTech

Digital investments/Wealthtech refers to the use of innovative digital technologies to provide investment and wealth products. These include digital capital raising solutions like crowdfunding (investment and non-investment) as well as asset management and personal advisory services like robo-advisory.

The FSRA is the capital markets development regulator, with licensing and supervisory responsibilities for the diverse actors (see Table 1). Digital investments/wealthtech initiatives are in conceptual stages by different providers like the UNESWA Foundation, developing a range of financial solutions for its Alumni.

3.3.2.6. InsurTech

Insurtech refers to the nexus between insurance and digital technologies to improve business process efficiency. These include comparison platforms, claims solutions and digital agents.

Except for Standard Bank’s Unayo, the InsurTech segment is nascent.

Sub-Categories	Provider Types	Regulator	Substantive Legislation	Regulatory Guidelines/Mandates
Insurance (Usage-, Parametric, On-Demand, Peer-to-Peer (P2P) Technical Service Provider (TSP) Digital Brokers or Agent Comparison Portal Customer Management Claims & Risk Management IoT (including telematics)	Insurance Companies Insurance Brokers Insurance Agents Retirement Funds Retirement Fund Administrators Medical Schemes Medical Scheme Administrators	FSRA	Disclosure By The Retirement Funds Rules, 2021 The Policy Holder Protection Rules, 2021 Insurance Act, 2005 Retirement Funds Act, 2005	Insurance Directives, 2008 Retirement Funds Directives, 2008 Insurance Regulations, 2008 Retirement Funds Regulations, 2008

Table 15: Insurance policies and regulations

3.3.2.7. CryptoAssets/Digital Payment Tokens

Cryptoassets and digital token solutions refer to the innovative technology solutions issuing and exchanging cryptoassets and enabling crypto payments, including private and public digital currencies.

The CBE is researching the use of Central Bank Digital Currencies (CBDC) and concluded its 1st Phase of the CBDC Diagnostic Study back in February 2020 which found that a retail CBDC would present the most benefits for the country. Since then, the CBE has been keeping abreast with international developments on CBDCs and established a CBDC working group (CBDC WG) dedicated to CBDC exploration, research and experimentation. In 2022 the CBE selected CBDC technical consultants Giesecke + Devrient to provide assistance to the CBDC WG in the formulation of the Bank’s CBDC body of knowledge, design, sandboxing, stakeholder engagement, technological exploration and legal gap analysis.

Locals engage with cryptocurrencies mainly through South African based crypto exchanges, taking advantage of the free flow of funds within the CMA, as there is no cryptocurrency service provider licensed to operate in Eswatini. Besides

the global crypto-assets exchanges, crypto products appropriate for Southern Africans are emerging. Centbee is a Bitcoin SV (BSV) platform supporting non-custodial BSV wallet, enabling people to spend BSV on digital goods and services.

3.3.2.8. RegTech/SupTech

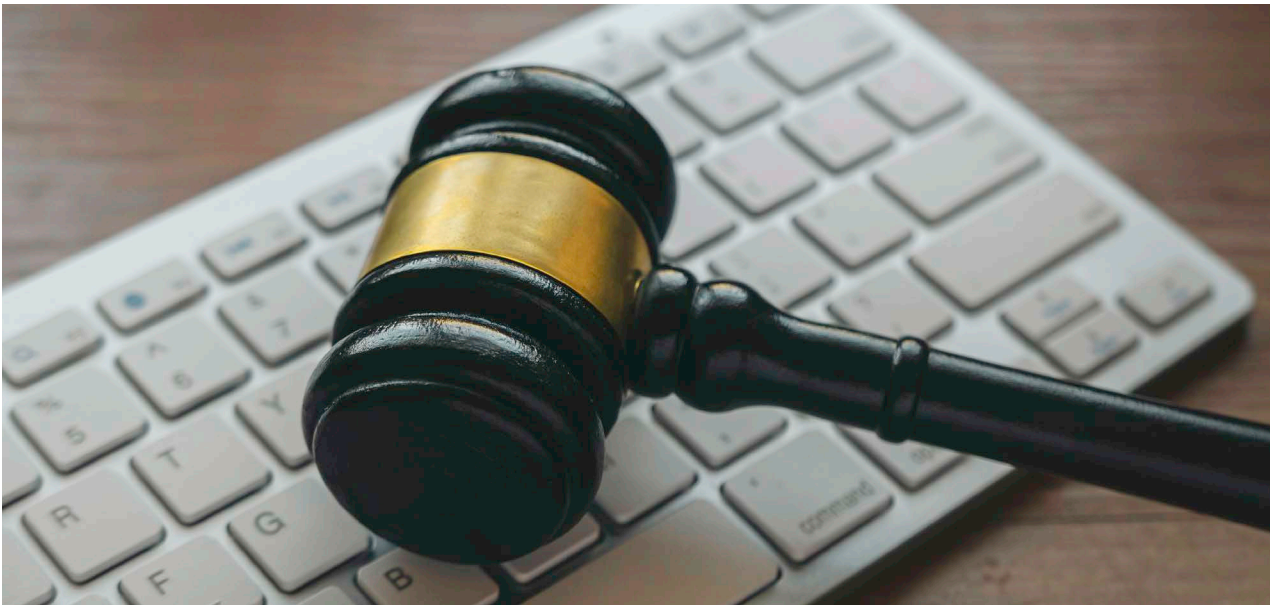
Regulatory and supervisory solutions refer to the innovative solutions enabling efficiencies with regulatory and supervisory business processes and activities for regulators and financial services providers.

Besides the reg tech and sup tech solutions, no active actors in this FinTech segment exist even though some commercial banks are using compliance solutions.

*“I know some of the the the banking financial institutions are now beginning to use automated compliance solutions.”
(EFIU Executive)*

3.3.3. Cross-Cutting Challenges and Opportunities

» **Interoperability:** The CBEs launch of the National Central Switch project is a welcome development that



will address the present challenge of interoperability amongst incumbent commercial banks and new mobile money entrants. As a result, transactions like bank to wallet transfers are manual, error prone and slow.

“The biggest challenge that we have is banks have not figured how we can collaborate to create a easy flowing ecosystem. For example, to move money from our bank accounts into your Instacash wallet, they are not receptive to automate the process. Currently we do it manually. we have an account in each bank, our customers transfer money into the bank account and reference their cell phone number, so we can actually push it onto the onto their accounts.” (FinTech executive)

» Engagement models: Low engagement (partnerships and collaborations) between incumbents and startup FinTechs limit market entry and access, increasing the startup costs.

“It’s the ability of these FinTechs to integrate with the bigger players. Because the FinTech is trying to bring efficiencies and ensure that services are delivered efficiently to consumers. So you need those linkages with banks and the bigger entities. So, what I’ve been picking up on the sidelines is that engagement between these players are not moving at the right pace. In most instances, you find out that they have already developed the solutions and are ready to be deployed. But now they need to be influenced by the larger FSPs who have the contact with their customers. So I think the stage of development and the stage of interaction between

the FSPs of course some of them will protect their space but we’ll ensure that the competition doesn’t take them out of business, but the ability that we’ve seen in solutions coming out from entities, like the utility companies linking with the solution providers are sort of encouraging. If only they are on a bigger scale with the bigger FSPs, it would bring the desired advancements into the space.” (FSRA Executive)

» Co-opetition: The low acceptance of new entrants, especially startups, into the ecosystem by incumbents is limiting partnership opportunities, with incumbents choosing to develop the capacity and capability. The lack of collaboration results in longer innovation cycles as incumbents try to replicate these ideas and stagnating these new entrants.

» Regulatory innovation: Despite the regulators’ charge of participating in FinTech development, the use of “borrowed” traditional regulatory instruments limits the flexibility and agility required by FinTech entities.

» Regulator know-how: New business models are a product of innovations in financial services or FinTechs. In such instances, regulator knowledge about new models and the appropriate regulatory instruments is mandatory.

» Affordability: With high poverty rates and high rural populations, the costs of digital financial services (device, telecoms, fees and charges) are inhibitive to most Eswatini.

- » Consumer Trust: due to a plethora of reasons, including scams, the low trust levels about these new methods of transacting supports the need for more awareness building and advocacy initiatives.
- » Entrepreneurial development/Venture building: a thriving FinTech ecosystem requires diverse actors, including entrepreneurs with capabilities beyond technology. The dearth of local actors is evident in Eswatini.
- » Startup Funding: funding is a critical resource in the startup ecosystem. Startups lack diverse patient capital funding sources to enable innovative developments.
- » Crypto investor protection: although the ecosystem lacks crypto regulations, consumers using private cryptocurrencies through global exchanges lack protections.
- » Product/service diversity: In Eswatini, mobile money is synonymous with FinTech. However, the diverse FinTech verticals present opportunities for innovation and experimentation.
- » Technical Capability/Local Content: there is limited of local content/technical capability to support the FinTech ecosystem development.
- » Regulatory involvement: The proactiveness of the regulators aids ecosystem development with the entry of new actors, especially non-bank financial institutions, and promotes investor confidence.
- » Market size: Startup FinTechs believe that the perceived fear of disruption by incumbent actors is fuelling the inability to innovate solutions to enhance financial flows and the lack of collaboration given the market size. Notwithstanding, the startups believe the scale limitations imposed by the small population is also an opportunity to scale transactions by digitising payments.
- » Regulatory Clarity & Uncertainty: amongst prospective startups, regulatory clarity and uncertainty limit market entry into the FinTech ecosystem.
- » Cash dominance: Despite high levels of financial inclusion, cash dominance is not a case of low adoption but of usage that can be driven by digital payments innovations. Thus, beyond simple payments, use cases like person-to-person (P2P) transfers, airtime



top-up, Figures 7 and 30 highlight the opportunities for domestic and cross-border payments.

3.3.4. Market Enabling FinTechs

Besides the solution providers offering core innovative financial services technologies, foundational products and services that enable FinTech provision are part of the ecosystem.

3.3.4.1. Alternative Credit Analytics

Digital lending solutions utilise machine learning techniques alongside diverse data sets to build credit profiles of consumers. Thus, such alternative credit analytics solutions are data analytics solutions enabling digital consumer credit. In Eswatini, commercial banks and mobile money operators own and have access to large amounts of consumer data that are used for their internal credit evaluations; however, some non-bank financial institutions offer such services to financial services providers.

iCredit is an FSRA-licensed alternative credit analytics platform from Digimage, a local FinTech startup, graduate of the CBE's FinTech Sandbox and DFS Innovation Prize winner. Using informal data like saving and credit transactions of

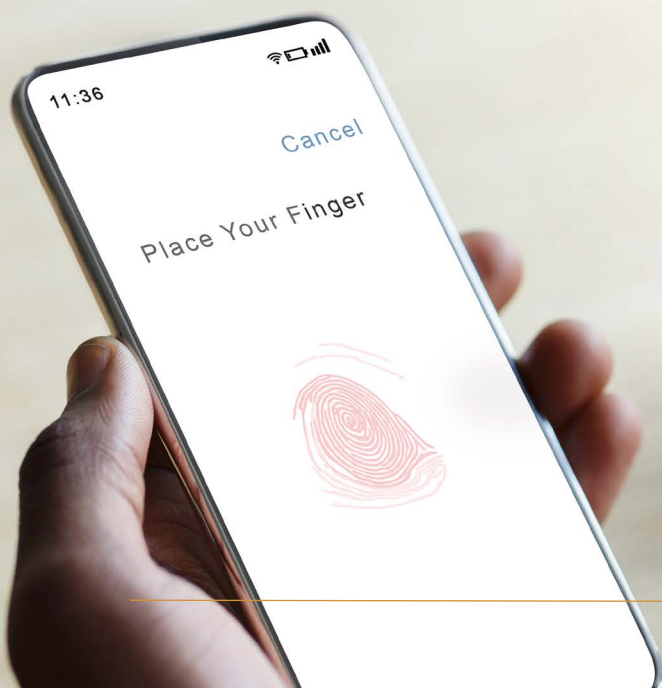
SACCO and Savings Group users, iCredit builds alternative credit histories for credit decisions, thus enabling access to credit for the otherwise excluded. iCredit data is available to credit providers, whilst individuals may request credit reports, for a fee.

3.3.4.2. Digital ID/e-KYC

Proof of identity is a foundational tenant in banking. Even though about 90% of Eswatini have access to national identification, the digitalisation of these identity solutions for effective conduct of know-your-customer (KYC) requirements brings significant cost savings. Hence, digital ID/e-KYC providers offer digital identity information and KYC solutions. This Digital ID imperative can support person-to-government (P2G) payments such as taxes. DIDx is a self-sovereign digital identity and verifiable credential exchange.

3.3.4.3. FinTech-As-A-Service/Solution Aggregator

Embedding financial products and services through application programming interfaces (APIs). Current FinTech providers are leveraging their technological expertise, offering access to existing products to other service providers.



3.3.4.4. Enterprise Technology Provisioning

The underlying technology platforms like cloud computing solutions are instrumental in the growth of digital solutions across many sectors, including financial services. Because global tech companies provide such cloud services, small startups can seldom afford the fees.

3.3.5. Landscape Summary

In summary, Eswatini’s FinTech landscape is developing and lacks some pertinent foundational and FinTech-specific policies. Tables 14 and 15 present the Kingdoms’s policy status from the World Bank Global FinTech-enabling Regulations database¹⁷, a repository maintaining the status of FinTech regulations in over 200 markets. The CBE’s FinTech unit is already working to fill these gaps with policies relating to open banking, data protection, digital identity and crypto assets (see Figure 16).

¹⁷ <https://www.worldbank.org/en/topic/FinTech/brief/global-FinTech-enabling-regulations-database>

Data Protection	Data Protection Act, 2022
Electronic Payments/Transactions	Electronic Communication and Transaction Act, 2022
Anti-Money Laundering	The Money Laundering and Financing Terrorism Prevention Act, 2011
Cyber Security	Computer crime and cybercrime Act, 2020
Digitally-Enabled ID	No legislation identified
Open Banking	No legislation identified
CDD	The Money Laundering and Financing Terrorism Prevention Act, 2011

Table 16: Eswatini foundational FinTech policy status

Digital Banking	Regular banking
Marketplace (P2P) Lending	No legislation identified
Innovation Facilitators	Sandbox
E-Money	SADC Mobile Money Guidelines CBE Practice Note for Mobile Money Service Providers
Cryptocurrency	No legislation identified
CBDC	Research
Equity Crowdfunding	No legislation identified

Table 17: Eswatini FinTech-specific policy status



Funding

The African technology narrative is incomplete without the mention of venture capital (VC) and private equity (PE) firms that have provided startup and scale-up funding. According to Disrupt Africa (Figure 32), in 2021 tech funding across 564 startups exceeded US\$2 billion, with Nigeria and FinTech leading from the geography and tech vertical perspectives. No Eswatini tech startup is yet to receive venture capital funding.

With Eswatini's population and VC appetite for scale, the investment opportunities are quite limited.

"I think the population aspect is one of the biggest hindrances that we have. I think recently we had other potential investors that wanted to to operate in the country, and one of their biggest stumbling block was the population. That it's not that much." (CBE Official)

Despite the VC-funding gaps, the Kingdom continues to host and support innovation challenges like the Eswatini Innovation Hackathon, the Grameen Foundation's DFS Innovation Prize and the ESSCOM National Innovation Challenge (NIC). Winners of these events receive seed funding or prize monies.



Figure 30: Africa funding (source: Authors compilation using Disrupt Africa, 2021 data)



3.5. Talent

Eswatini's ecosystem lacks the requisite FinTech talent and talent development (learning) programmes. To date, FSPs stakeholders have been importing the FinTech solutions and talent to conceptualise, build and maintain the solutions. While the range of FinTech capabilities spans [software] engineering, emerging digital technologies, business and management and regulations, the EFWG led by the University of Eswatini (UNESWA) and the Deep Learning Indaba Consortium are addressing technological know-how. In 2021, the EFWG hosted a 2-day IndabaX workshop, targeted at applying machine learning techniques to solving problems like financial inclusion. There are few professional development learning centres or programmes available.

"From an institutional learning perspective, to bring more individuals and people that are cognisant and have a clear mindset around FinTech set up is difficult. Case in point, I don't think we have any course in Eswatini where you will mention FinTech, even. You know, countries like India have done a fantastic job when it comes to that, and you have seen them speeding up, even now. We are starting, most countries are starting, to import technology from them." (FinTech Executive)

3.6. Eswatini FinTech Landscape Summary

Eswatini's FinTech landscape is promising and still in its exploratory stages of development and in need of diverse actors, products and use cases.

"There are limited players you can leverage to provide services, and I mean locally." (FinTech Executive)

"The FinTech ecosystem is not that vibrant and the pinch of products that we see in the market being provided by incumbent institutions like your primary banks." (CBE Official)

Notwithstanding the gaps, the catalytic capabilities of the financial sector to drive digital economy initiatives and national development require institutional coordination and actor cooperation, like the EFWG in the financial services sector.

"The only part that I would say may lack is because of our mandate would be for FinTech in particular. It has to be moving in line with the ICT portfolio of Eswatini. We have limited or not engaged with them. Because ICT is now more of a government mandate to say, how are they planning to move on with the ICT development of this country? But we, the network, the ecosystem, in particular the financial sector, we are one big happy family engaging." (CFI Executive)

The EFWG represents the cohesiveness of the financial sector that may need to be replicated across other sectors.



Figure 31: Eswatini FinTech-specific policy status

The elements required to building a FinTech ecosystem include ecosystem actors, business environment/access to markets, government/regulatory support, access to capital and financial expertise. Except for access to capital, Eswatini’s FinTech ecosystem includes insufficient values of the complement of ecosystem components. In addition, access to venture finance follows innovative ideas and entrepreneurial ventures in their startup stages. We highlight the gaps in the subsequent paragraphs.

3.6.1.1. Ecosystem Actors

Figure 28 highlights the diverse actors in the ecosystem; however, Eswatini has a limited number of players.

3.6.1.1.1. Market Engagement

The EFWG is a collection of key ecosystem actors, including academia that is driving FinTech in Eswatini. Its composition of regulators and government actors requires expanding the working group to include actors from the ICT, digital entrepreneurship and start-up communities as well as consumers and market actors to improve engagement and

learning.

“I think we also need to bring in the customers, the end user customer. I’ll make an example, depending on the solution and what we want to do. If we are doing a solution for health and trying to link it with the FinTech or if we are doing a pure payment solution, you try to find a way of bringing them on board, so that it just not the regulators and the university that are part of this. Because remember that we are not the people on the ground. Because we want to drive this, because it is helping us with the learnings, and opening the doors and creating an enabling environment. But I think we also need that to bring one or two of the key industry players to come into the party, so that they can also guide to say what is happening on the ground. So those are some people that maybe we want to consider. And then, in terms of the suppliers’ people to use that word, maybe we want to open it up and bring in one of the 2 operators that we regulate.” (ESSCOM Executive)

“We need to diversify that they to come to the enabler to other things.”

3.6.1.2. Business Environment/Access to Markets

The perception of FinTech in Eswatini is instrumental its development. The current view of FinTech as a financial sector initiative as opposed to a driver of economic development, is delimiting.

"We view FinTech as finance. Yes, it is finance, but my view is that it can influence other industries that not finance, but where finance becomes the enabler to reach out to other industries. I can make them visible with agriculture. You can still use some of the FinTech solutions to influence what's happening in agriculture. But we use FinTech for pure finance-related technologies or solutions." (ESSCOM Executive)

This understanding of FinTech as a driver of economic activity requires business advocacy and initiatives that drive digital payments adoption across, for example, commerce and agriculture value chains.

In addition to growing the number of actors in the market, smaller FinTechs require additional support including but not limited to venture creation (trade licenses) financial assistance and market facilitation.

"The Ministry would be responsible for providing an enabling environment for businesses to thrive with relations to financial support and assistance. So, establishing various funds, and also collaborating with the various development partners to ensure that we have the framework that can ensure a FinTech is within the country." (Ministry of Commerce Executive)

3.6.1.2.1. Driving Customer Demand

In relation to FinTech as a driver of economic development is the diversity of available products and services. The availability of mobile money as the main FinTech product needs to be expanded to drive customer demand and network effects. This means that across financial services

sectors - banking and payments, insurance, savings, credit - customer-centric product innovation is required to develop new use cases/propositions like digital underwriting, claims processing, micro insurance, and the like.

Cross-border remittances are another opportunity to drive customer demand for person-to-person (P2P) money transfer services provided by FinTechs. Because of CBE foreign exchange controls, cross-border transfers are more expensive and providers like Mukuru provide inbound remittances from Emaswati in the United Kingdom that are cashed out at Mukuru agents nationwide. Likewise, MTN FinTech is developing an inbound wallet

3.6.1.3. Government/Regulatory Support

The Government of Eswatini has a dual role in FinTech advancement. First, developing and maintaining an enabling environment that promotes FinTechs. Second, digitising government services, including grants and social payments and using FinTechs to distribute.

Developing an enabling environment for FinTech and other digitally-enabled services requires government engagement beyond the financial sector regulators. In Eswatini, this a national strategy that will position the country internationally.

"If anything is of policy, nature, then it has to start from government." (EPTC Executive)

"I think if it was taken at the national level, probably yes. We have weak policy at the national level, and at the government level. I mean, I'll just make an example of Mauritius. They decided they were going to be a technology or a banking centre, and that was done it at the national level, which meant that government was going to put a lot of things in place. The IT infrastructure, the regulation, and everything, things need to talk to each other if you want to launch yourself to the rest of the world. If we're still working in silos,

the Regulators are in silos, the players in silos. Government also delegates things that are of policy nature to the players themselves, or the regulators. I don't know. I think it will take us time to really do it.” (EPTC Executive)

This Government leadership requires developing modern legislations and policies across the financial services, ICT and start-up entrepreneurship sectors. These changes require agility, resources and institutional coordination and cooperation. For example, licensing regulatory frameworks appropriate for new entities are required as well as rules and frameworks on open data and open banking.

“And I say that because I look at our legislation in terms of the financial sector, most of the financial sector laws. I would be very honest with you. They are all outdated. They are laws that were developed prior to the spurge, the spurring up of the FinTechs globally. I know that there's a backlog that would say. We need to amend the number of those financial sector legislation and policies, so that it could create an enabling environment.” (FSRA Executive)

The digital infrastructure rails to drive FinTech is the Governments responsibility under the direction of the Ministry of ICT.

“I think one enabler that we need to put in place is a policy and hold everybody accountable. At this moment, the enablers would probably be several legislation under the ICT portfolio. But one thing that I still think is, we are not really an open financial system to adapt to innovation at the moment.” (FSRA Executive)

The Covid-19 pandemic catalysed mobile money adoption through partners like MTN FinTech, and reversing the direction of these Government-to-Person (G2P) payments and introducing Person-to-Government (P2G) and Business-to-Government (B2G) payments like tax remittances.

“We are working with government extensively in terms of distribution of social grants to the elderly and persons with disabilities.” (MTN FinTech Executive)

The Government can also drive FinTech adoption by implementing payments into EIPAs Buy Eswatini marketplace platform, promoting Eswatini FinTechs for investment, and leveraging the Economic Zone of the RSTP. “When we attract investors, we always attract them to come to Eswatini, not because of the size of our population. But because of the size of the opportunity that operating from Eswatini presents. We have the AfCTA, we're a member of various regional trading bodies and based on the benefits that accrue to being a member of being a member of regional bodies, its attractive for businesses to come and operate in Eswatini, setup here and do business in the region and elsewhere on the Continent. For example, the biggest export we have is Coca Cola concentrate and we export that to Nigeria.” (EIPA Executive)

Finally, the ecosystem needs Government's support in developing an education sector to promote and grow science, technology, engineering and maths (STEM) subjects. This would warrant refocussing primary and secondary education as well as initiatives in tertiary institutions that would develop FinTech capabilities. A collection of FinTech knowledge domains covering financial services innovation, IT/digital, policy/regulatory and business and management is included in the Appendix.

“The future is bright. We just need to find a way of stimulating that excitement and stimulating can go as far as maybe introducing design thinking at high school, at primary school. Problem solving at that level, coding in primary school. So that by the time these guys are out of school, they are already in their mind when they see and a problem, they quickly look for a solution. They quickly look into how they can change it to be a solution.” (ESSCOM Executive)

3.6.1.4. Access to Capital

Strategies to enhance access to startup capital requires an entrepreneur-driven innovation ecosystem.

3.6.1.4.1. Driving Innovation

Building and sustaining an innovation ecosystem that will catalyse FinTech and other technology developments requires a purposeful approach from both the private and public sectors, diverse actors, funding sources ranging from government grants to venture capitalists and business angels, and academia.

“So what we've seen happen elsewhere in other companies. Such big investors that are pro-development and obviously they want money. They always put in a budget for innovation, an innovative idea. So they look at the new innovations in the market, and sort of commit. It's part business, part development. Even the government should have a budget for incubating new ideas. In more developed countries like maybe yours (Nigeria), you have investors that have achieved in everything. So those sorts of angel investors that say, I like your idea. I'm gonna back the jockey and not the horse. Let's see what comes out of it, because they have achieved so much. But we have a gap there. There are no people that grow their businesses to this kind of level. So it will be government support, it would be those big institutions just to have this small budget for innovation, and also it would be people that are already successful, and are doing their investment in a passive basis.” (FinTech Executive)

Even though FinTech solutions are available and may limit corporate innovation; customer-centricity factors, focussing on domestic customer needs, is a driver of corporate innovation across financial services verticals.

“We are also seeing innovation coming up from the insurance sector itself, and the bigger players who now say that if we don't get solutions outside, we will innovate.” (FSRA Executive)

Except for funding actors, the other components of an innovation ecosystem are operating in Eswatini, albeit without coordination. Thus, a systematic idea to developing, nurturing and promoting Eswatini's innovation capabilities is a precursor to attracting capital and incentivising local and international funding - from angel to accelerators and venture capital. Coordinating the efforts of the RSTP, Innovators Association and other groups will enhance sectoral developments.

3.6.1.5. Financial Expertise

Extending financial services expertise like fundraising strategies to Eswatini startups is another gap limiting startup development. Thus, the RSTP and other institutions should strengthen their financial services for startups, including advisory and accelerator services.



Benchmarking

The FinTech revolution is challenging policymakers and markets actors globally to adjust to the changing realities across the different dimensions. This section benchmarks Eswatini's FinTech environment against global principles like the Bali FinTech Accord (BFA) and AFIs Sochi Accord as well as comparisons FinTech regulations across the jurisdictions of Ghana, Egypt and Lithuania.

“We have looked at the regulations and they are quite cumbersome. The regulations assume a company that is already operating, or was operating from another jurisdiction, as opposed to a company that is being set up in the same economy.” (EPTC Executive)

3.6.2.1. WB Regulatory

There is consistency in FinTech (see Figure 34) and foundational (see Figure 35) regulations when comparing Eswatini with other peers using the World Bank Global FinTech-enabling regulations database. Except for Lithuania


**African regulators are progressing with the exception
of open banking frameworks that are under the
purview of the CBE.**


that has specific functional regulatory frameworks for P2P lending and equity crowdfunding, Eswatini and the comparative African markets are making progress in enabling FinTech. The consistency of lack of regulations for FinTech activities like cryptocurrency is prevalent. The Bank of Lithuania, in 2020, experimented on a CBDC, which is listed as inactive because of fit in Europe's mature

digital payments landscape. Likewise with the foundational regulations, African regulators are progressing with the exception of open banking frameworks that under the purview of the CBE. Even though access to identity is high (Figure 21), Eswatini lacks digital ID and electronic payments transaction legislation.

Regulation Type	Eswatini	Ghana	Egypt	Lithuania
Digital Banking: The treatment of digital-only banks as part of the regular bank license or as a separate type of	Regular banking	Regular banking	Regular banking	Regular banking
Marketplace (P2P) Lending: Online platforms that enable investors to lend in retail and commercial borrowers to function	No legislation identified	No legislation identified	No legislation identified	Regulated under frameworks created for this activity
Innovation Facilitators: 3 types: Innovation Hub (Innovation Offices) Regulatory Sandbox Regulatory Accelerators (Regtech Labs)	Sandbox	Sandbox	Sandbox	Sandbox
E-Money: Banks and non-bank financial institutions issuing pre-paid payment instruments	SADC Mobile Money Guidelines CBE Practice Note for Mobile Money Service Providers	Guidelines for e-Money Issuers, 2015	No legislation identified	Law on Electronic Money and Electronic Money Institutions
Cryptocurrency: Guidelines for use of cryptocurrency	No legislation identified	No legislation identified	No legislation identified	No legislation identified
CBDC	Research	Research	Research	Inactive
Equity Crowdfunding: Online platforms that enable investors to buy equity in retail and commercial borrowers to function	No legislation identified	No legislation identified	No legislation identified	Regulated under frameworks created for this activity

Table 18: Global FinTech regulations

Regulation Type	Eswatini	Ghana	Egypt	Lithuania
Data Protection: Laws and regulations relevant to the security and transmission of data	The Data Protection Act, 2022	Data Protection Act, 2012 (Act 834)	Data Protection Draft Law	Legal Protection of Personal Data
Electronic Payments/ Transactions	No legislation identified	Electronic Transaction Act, 2008	Law No. 15/2004 on Regulating Electronic Signature and Establishing the Information Technology Industry Development Authority	Elektroninio parašo įstatymas 2000 m.liepos 11 d. Nr. VII-1822
Anti-Money Laundering: Regulations and rules related to Anti-Money Laundering/Combating the Financing of Terrorism	The Money Laundering and Financing Terrorism Prevention Act, 2011	Anti Money Laundering Act (Amendment) 2014	Executive Regulations on the Anti-Money Laundering Law	Law on the Prevention of Money Laundering and Terrorist Financing 19 June 1997 No VII-275
Cyber Security: Regulations or rules as related to cyber-security	Computer Crime and Cybercrime Bill, 2013	Criminal Code, 1960 (Act 29)	Penal Code	Cybersecurity Act (2014)
Digitally-Enabled ID: Countries with digital ID (and electronic ID) systems and regulations surrounding them.	No legislation identified	National Identity Register Act, 2008 (Arts 28 - 20)	Executive Regulations of the Civil Affairs Law No. 1121 of 1995, Art. 33	Identity Card and Passport Issue. March 19, 2015. Arts 3, 12 and 13
Open Banking: Regulations pertaining to the sharing of customer data with consent	No legislation identified	No legislation identified	No legislation identified	Revised Payment Services Directive (PSD2, Directive (EU) 2015/2366)
Customer Due Diligence (CDD)	The Money Laundering and Financing Terrorism Prevention Act, 2011	Anti Money Laundering Act (Amendment) 2014	Executive Regulations on the Anti-Money Laundering Law	Law on the Prevention of Money Laundering and Terrorist Financing 19 June 1997 No VII-275

Figure 19: Global foundational regulations

3.6.2.2. BFA Benchmarking

Enhancing regional cooperation will require adherence to global laws and principles like the Bali FinTech Accord (BFA) “If the region can use that as a model law for their respective countries, so that when it is time now to collaborate and also harmonise, you find we are using similar legislation for such initiatives. It will be easier then to collaborate in the region.”

(Government Executive). The Bali FinTech Agenda (BFA) is a high-level framework highlighting issues for consideration by markets in their domestic FinTech policy discussions. The BFA identifies 12 policy elements across the themes: enabling FinTech, financial sector resilience, risks and collaboration whilst emphasising the need of institutional capacity, knowledge, stakeholder communication and consumer education. The subsequent paragraphs provide commentary on observations of Eswatini's adoption of the tenants of the BFA.

Embrace the Promise of FinTech: Mobile money in Eswatini is the defacto FinTech with financial inclusion rate of 87%. Notwithstanding the reach of mobile money, the shift from cash requires more payments digitisation use cases across diverse segments like women, youth and MSMEs. The EFWG is a cross-agency institutional approach to engaging in FinTech and accelerating FinTech for using financial services.

Enable New Technologies to Enhance Financial Service Provision: The country has good telecommunications coverage, albeit with varying degrees of quality and affordability to the masses. The USPF office in ESSCOM has the mandate to ensure affordable access. The foundational policy, digital and financial infrastructures are under development to provide an enabling environment for financial innovations. Some key financial infrastructures include the national payments switch, open banking and central bank digital currency (CBDC). Digital ID is still under consideration.

Reinforce Competition and Commitment to Open, Free, and Contestable Markets: The CBE is committed to levelling the playing field and creating fair and proportionate regulations for all ecosystem actors. There are considerations to also include the communications commission in the EFWG. Both incumbents and startups take part in the FinTech ecosystem, but new entrants have limited finding and lack the the requisite visibility. Nonetheless, the engagement models of incumbent commercial banks is changing,

favouring partnerships with FinTechs. Even though the Telecomms sector only has 2 dominant players, the regulator monitors anti-competition practices.

Foster FinTech to Promote Financial Inclusion and Develop Financial Markets: The World Bank concluded the Kingdoms DE4A assessment in 2022 and found that while mobile money is the dominant FinTech solution and the growth in digital financial services will be better served through product diversity across the verticals that will enhance development of financial markets and promote financial inclusion.

Modernise Legal Frameworks to Provide an Enabling Legal Landscape: Majority of the Eswatini laws are in need of modernisation. This is a priority of the EFWG and the importance of contextual and fit for purpose policies cannot be understated. The WBG assessment of foundational and FinTech-specific regulations highlights the policy gaps.

Adapt Regulatory Framework and Supervisory Practices for Orderly Development and Stability of the Financial System: The CBE has introduced a regulatory sandbox as a pathway to entry into the financial system for new entrants and financial solutions. In addition, the CBE FinTech unit should include risk assessments in the ToR/product reviews.

Safeguard the Integrity of Financial Systems: Schooling the FinTechs about AML/CFT and strengthening the capabilities of the EFIU and suspicious transactions reporting is ongoing. Also the EFIU is implementing the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) mutual evaluation report.

Ensure the Stability of Domestic Monetary and Financial Systems: Maintaining the core mandates of integrity, stability, inclusion and consumer protection are the core mandates of the CBE that have been re-emphasised by the Governor.

Monitor Developments Closely to Deepen Understanding

of Evolving Financial Systems: The EFWG members, especially the FinTech unit within the CBE actively monitors the financial sector developments and innovations. Membership of associations like AFI and GFI and the willingness to engage in peer review visits also help deepen the understanding of evolving financial systems.

Develop Robust Financial and Data Infrastructure to Sustain FinTech Benefits: The emergence of financial scams over mobile money is almost a threat. Even though cybersecurity is a policy theme for the CBE FinTech unit, there is insufficient evidence to support if the activities will address this policy element.

Enhance Collective Surveillance of the International Monetary and Financial System: This is an ongoing activity of the CBE and the Governor’s engagement in the FinTech developments adds gravitas to these discussions with multi-lateral partners.

Encourage International Cooperation and Information-Sharing: Through alliances like AFI, the EFWG and CBE engage in international cooperation and information sharing arrangements. Examples are the team visit to the Central Bank of Ghana and the Central Bank of Egypt sharing experiences about implementing their National FinTech Strategy.

3.6.2.3. Sochi Accord

The Sochi Accord is a global accord, signed by AFI members in 2018, is a clarion call to AFI members to commit to leverage FinTech for financial inclusion. In addition to broad commitments, the Accord includes 10 action statements for members to imbibe. Table 36 provides brief commentary on Eswatini’s performance of the Sochi Accord actions.

Action	Explanation	Comments
Demonstrate	through examples and case studies that FinTech advances financial inclusion and includes vulnerable sections of the society, as well as the MSMEs.	Through AFI, the CBE has participated in inclusive green finance capacity building, amongst others.
Build and reinforce	institutional capacity and talent to clearly understand technological complexities and business model innovations to come up with appropriate regulatory interventions.	Through the FinTech unit and EFWG, Eswatini institutions are gradually building capacity and conducting FinTech research and enabling policies
Create	and participate in platforms for systematic dialogue and partnership among regulators, policy makers, FinTech companies, technology providers, standard-setting bodies, NGOs and academic researchers on the issue of FinTech for Financial Inclusion.	The EFWG is the main entity institutional organ promoting FinTech development. Until recently, EFWG membership was mainly public sector agencies, working as partners and with an amendment to the constitution, private sector entities will be welcomed as members.
Promote	a culture of innovation within the regulatory bodies as well as within the broader ecosystem.	The FinTech unit is driving regulatory innovations like the sandbox and CBDs. Collaboratively, the EFWG hosts FinTech Indaba competitions to build and promote FinTech for financial inclusion.
Commit	to identify, understand improve or develop new approaches to regulation and policy making, along with the use of technology, to balance the benefits of financial services innovation and financial stability, consumer protection mandates.	Not observed

Concur	to work towards developing Maya Declaration commitments with quantified targets on FinTech for Financial Inclusion and call upon AFI to support members in formulating these commitments and delivering on them.	The CFI is implementing a new financial inclusion strategy that seeks to advance the usage of financial services through FinTech solutions.
Strive	to learn not only from peers in developing and emerging countries, but also advanced economies, reflecting their international experience in FinTech development and implementation of innovative or proportionate regulatory approaches through the AFI's joint learning platform.	Ongoing through AFI and GFI memberships
Leverage	FinTech solutions to mitigate the impact of de-risking in developing and emerging countries.	Not observed
Call on	financial institutions and private sector stakeholders to use FinTech solutions to break gender-specific barriers to financial inclusion and reduce the gender gap.	Women are a critical segment of the NFIS, with the 2020 NFIS review incorporating the gender lens.
Share	their knowledge and practices on FinTech solutions among members of the network and beyond, especially those that help in break gender-specific barriers to financial inclusion and reduce the gender gap, mitigate climate change risks and building resilience, and contribute to inclusion of forcibly displaced persons.	The EFWG and CBE are in agreement with this mandate; however, because the FinTech ecosystem is still developing, there is little to share.

Figure 20: Eswatini Sochi Accord commentary



Recommendations

To building a sustainable FinTech ecosystem that drives financial inclusion in the support of inclusive growth and sustainable development, we conclude this report with three core recommendations. First, to create an enabling environment with proportionate regulations that levels the playing field. Second, to promote a digital Eswatini and promote the implementation of the DE4A diagnostics initiatives. Third, to develop pathways to FinTech businesses and a startup ecosystem that enables the establishment of businesses from the innovation sandbox or competitions.

4.1. The Enabling Environment

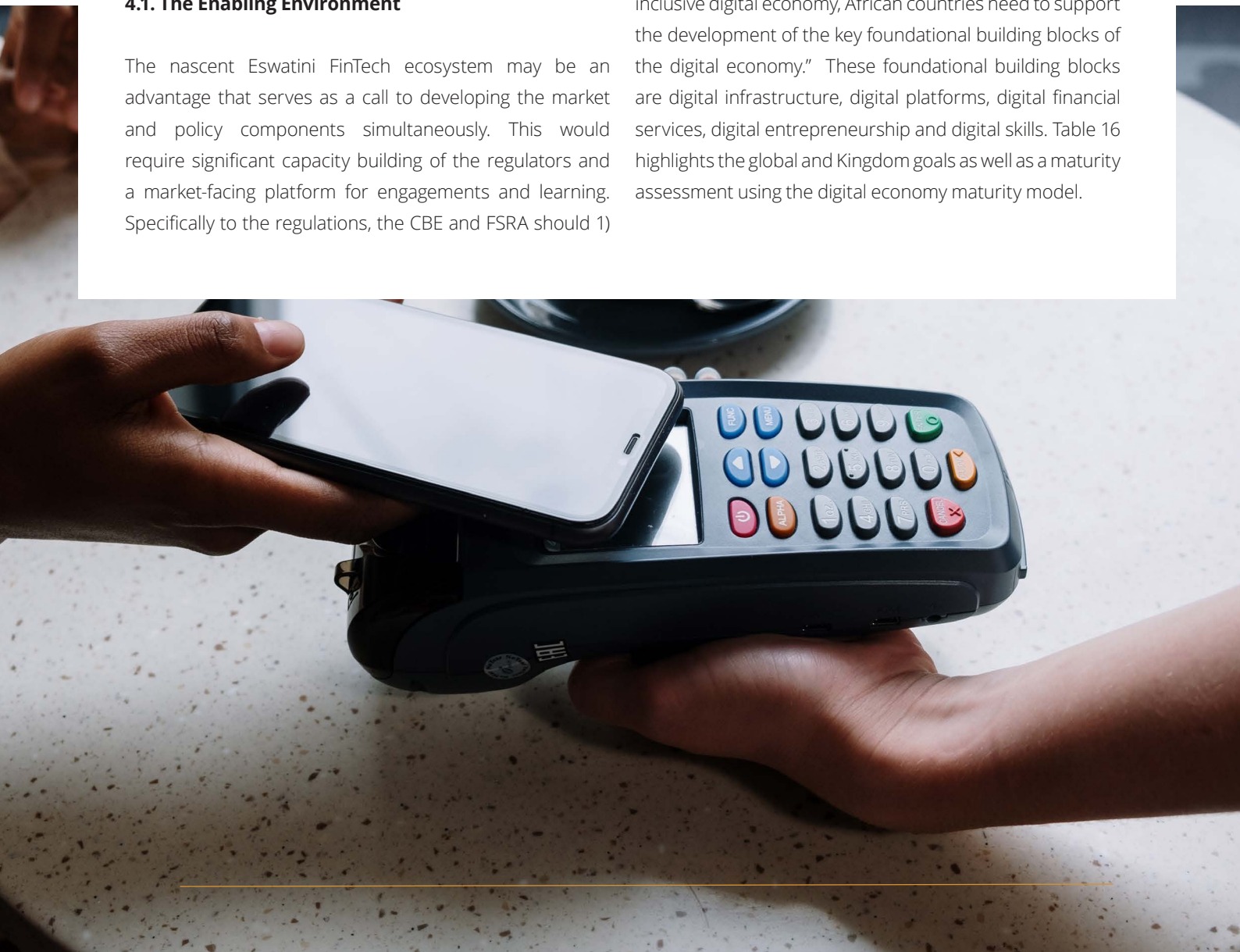
The nascent Eswatini FinTech ecosystem may be an advantage that serves as a call to developing the market and policy components simultaneously. This would require significant capacity building of the regulators and a market-facing platform for engagements and learning. Specifically to the regulations, the CBE and FSRA should 1)

close the regulatory gaps, developing FinTech-specific and foundational regulations; 2) embrace the tenants of the BFA and Sochi Accord in the development of the ecosystem and related policies.

4.2. The Road to a Digital Economy

The digital economy for Africa (DE4A) diagnostic is an integrated framework developed by the World Bank Group (WBG) to assess the enabling environment and level of development of the digital economy in an African economy.

The thesis of the DE4A tool states “for a successful and inclusive digital economy, African countries need to support the development of the key foundational building blocks of the digital economy.” These foundational building blocks are digital infrastructure, digital platforms, digital financial services, digital entrepreneurship and digital skills. Table 16 highlights the global and Kingdom goals as well as a maturity assessment using the digital economy maturity model.



Pillar	Global Goals	Eswatini Target	Nascent	Growing	Advanced
	Enable every African individual, business, and government to participate in the Digital Economy				
Digital	1.1 Increase access to broadband Internet 1.2 Increase quality of broadband Internet 1.3 Increase affordability of broadband Internet	Universal internet network coverage Affordable Internet for all at less than 2% of GNI per capita Interim milestone doubling broadband connectivity by 2021	Access to undersea internet cables, backbone networks	Backbone networks, data clouds, IXP, privacy and cybersecurity	4G/5G networks, rural connectivity, internet of things
Digital [public] platforms	2.1 Increase availability and adoption of secured and interoperable digital platforms for public services 2.2 % ID coverage for adults	Doubling online services index rating for all government All individuals are about to provide their identity digitally At least 50% of the population regularly uses the internet to access government or commercial services	Digital shared services, digital identity, and digital financial management	Digital government, open data, e-commerce	Mobile apps, AI applications and software-enabled platforms
Digital financial services	3.1 Increase access to digital financial services 3.2 Increase usage of digital financial services	Universal access to digital financial services Africa-wide payments infrastructure in place	Basic digital payments, e.g. P2P payments	Broad digital payments, e.g. B2P, G2P	Digital financial services, e.g. savings, credit, insurance
Digital	4.1 Increase in the number of digital start-ups 4.2 Increase in the number of platform-based or data-driven firms operating in the country	Tripling the number of new digitally-enabled businesses created annually Financing for venture capital to reach 25% of GDP	Talent development and business mentoring	Angel/seed financing, innovation centres, regional hubs	Venture financing, M&A, IPOs, BPO centres, local digital industry
Digital skills	5.1 Increase Internet connectivity in education institutions 5.2 Increase availability of digitally competent workforce	All 15 year old students with basic digital skill competencies 100,000 graduates in advanced digital skills programmes annually	Bootcamps and digital skill trainings	Business/management skill training	Digital-savvy workforce

Table 20: Eswatini Sochi Accord commentary



4.3. Startup Ecosystem

FinTech solutions are provider agnostic; they closely link their development and growth to a thriving startup ecosystem. The Kingdoms efforts to foster digital innovation through the sandbox and by building youth digital capabilities and hosting innovation challenges will be complemented by a startup and innovation ecosystem to absorb these ideas and transform them into formal business entities. Thus, partnerships with development agencies, private sector and government actors like the RSTP to mainstream software engineering and entrepreneurial capacity development interventions can achieve this.

“The Central Bank is trying to have a sandbox there, but I don't think the market understands it. I don't think people are participating in that. And also we've got this science and technology park, which is sort of duplicating things. I think if we were to encourage more innovation, then the central bank needs to sort of share or compare notes with the science and technology park.” (EPTC Executive)

“The second one, again, is opportunities that people you can get in order to try what they want to do. The industries are too stringent. They want what they want, because it must make money for them. So, which means one way or the other, we need to provide a kitty or something that people can use to try out their solutions and try and fail and try and fail until they get it right. So we need to create that cushion and be deliberate about it to say yes, we will create opportunities; we will fund them. You don't need to get it right the first time as long as they are learnings, and then we develop, and then we develop. And because even the countries that have made it, they didn't get there somehow, somehow. someone invested, and investment is about

resources, it's about time, it's about creating opportunities. It's about saying to ourselves, if there is a solution that we can source in the country. Let's just decide that we are not importing this skill or the solution out of the country and be deliberate about it so that we can develop and find solutions within ourselves.” (ESSCOM Executive)

Mapping the pathways for FinTech business evolution from ideation is critical to creating a thriving ecosystem.

Conclusion

Eswatini's FinTech landscape is nascent with the potential to develop a homegrown FinTech ecosystem that innovates and builds solutions for Eswatini and a consumer market that adopts and uses these FinTech innovations. This build phase will also include developing the requisite policies and regulations, the digital infrastructure, startup ecosystem, e-commerce use cases, and other complementary eGovernment services. Another opportunity open to the Kingdom, which is an offshoot to the build model, is positioning the Kingdom as a regional innovation hub for FinTech entities, putting Eswatini on the map as a startup ecosystem.

In addition to the components of the builder mode, this hosting model would also require an employable talent pool and open borders. These approaches, albeit complementary, are strategically diverse and require strengthening different primary drivers. Over time, the build and host models can leverage Eswatini's trade agreements and provide scale opportunities to serve the region.

Appendices

5.1. Scope & Method

We employed a mixed method approach to scope the FinTech landscape. First, we surveyed existing actors to understand their FinTech business focus, customer segments, business sectors and geographies served, origin and regulatory and licensing dynamics, staffing capabilities and funding sources.

Second, over 3 weeks, we conducted over 20 in-depth virtual (individual and group) interviews with EFWG members and other key actors. The interviews sought information about the FinTech ecosystem, its stakeholders and their roles and perceptions about the current and future states of the FinTech ecosystem, highlighting performance, challenges and opportunities.

5.1.1. Survey Items

Theme	Question
FinTech Name	Name of the FinTech
Legal Name	If different from name of FinTech
Vertical	Vertical category: Digital Payments Digital Savings Digital Lending Digital Banks WealthTech InsurTech Enterprise Tech Provisioning (e.g. cloud computing) Alternative Credit Analytics CryptoAsset / Digital Payment Token RegTech / SupTech FinTech-As-A-Service / Solution Aggregator Digital ID /e-KYC
Year Founded	
Website	URL
Corporate Description	Short description of the company
Number of Employees	Staff strength: 6 - 10 11 - 20 21 - 30 31 - 50 Above 50
Geographies Served	Options: Urban Rural Peri-urban
Customer Segments Served	Options: Individuals Women Micro, Small Enterprises

Business Segments Served	Options: Agriculture & forestry Wholesale & Retail Services Transportation & Storage Manufacturing Government Health & social work activities Education
Total Funding/Investments Received (USD)	
Funding Types/Sources	Options (select all that apply): Equity investment from foreign investors Equity investment from local investors Debt financing (bank loans, etc.) Grants from government bodies Grants from domestic private sector players Personal savings Donations from family and friends Accelerators/ Incubators Alternative Financing e.g. crowdfunding Prefer not to disclose Other (please specify)
Incorporation Country	Select country where FinTech is incorporated
Headquarters Location	Select country where FinTech is domiciled
Eswatini Office (Y/N)	Binary (Y/N)
License Status	Are you licensed/regulated (Y/N)?
Country of License	Select country where FinTech is licensed/regulated
Primary Contact Name	Name of main contact
Primary Contact Designation	Designation of main contact
Primary Contact Email	Email of main contact

5.1.2. Interview Participants

1. Government Ministries, Departments and Agencies

- » Central Bank of Eswatini
- » Eswatini Communications Commission
- » The Centre for Financial Inclusion
- » Financial Services Regulatory Authority
- » University of Eswatini
- » Royal Science and Technology Park

- » Eswatini Investment Promotion Authority
- » Eswatini Post and Telecommunications Corporation
- » Eswatini Financial Intelligence Unit
- » Ministry of Commerce
- » Ministry of ICT
- » Ministry of Economic Planning

2. Private Sector

- » Luno
- » Standard Bank

- » InstaCash
- » TrustLink
- » Digimage
- » NedBank
- » MTN FinTech

3. Multi-Lateral Organisations

- » United Nations Development Programme

4. Others

- » Innovators Association of Eswatini

5.1.3. FinTech Knowledge Domains

Financial Services Innovation	IT/Digital	Policy/Regulatory	Business & Management
Financial Innovation/ FinTech	Cryptocurrencies & Blockchain Technology	Regulatory Sandboxes	Business model innovation
Digitising Money	SCRUM/Agile	RegTech/SupTech	Compliance & risk management
Payment Systems & Infrastructure	Open APIs	Licensing	Behavioural Analysis/ Economics
RTGS/Clearing & Settlement	Cybersecurity	Risk-based Supervision	Digital Marketing
Digital Channels	Programming/ Software Engineering	Compliance & risk management	Product Development
Digital Lending	Systems Analysis & Design	Operations & Risk Management	People Management
P2P Lending/ Crowdlending	Project Management	Smart Regulation/Regulatory Innovation	Privacy/Data Protection/Data Management
Open Banking	Enterprise Architecture	Fraud Management & Reporting	Digital transformation
Digital Identity	Digital Platforms	Macroprudential Policy	Effective Communication
Market Provision	Cryptography	Prudential Regulation	Presentation Skills/Pitching
Wealth Management/ Investments	Tokenisation	KYC/AML/CFT	Venture/Entrepreneurial Financing
Crowdfunding	Artificial Intelligence/ Machine Learning	Consumer Protection	Business Process Management
Cross-border remittances	Big Data Analytics	Financial Development/ Financial Inclusion	Strategic Management
Initial Coin Offerings (ICO)	Database Management	Financial Systems Stability	Emotional Intelligence
Point of Sale (PoS) Innovations	Systems/Enterprise Integration	Market Integrity	Leadership
Robo Advisory	User Interface/User Experience (UI/UX)	New Regulatory & Supervision	Enterprise Development/ Entrepreneurship
InsurTech	Quality Assurance	DFS Regulation	Design Thinking
Digital Assets/ Tokenisation	Software Testing	Mobile Money Operations	Negotiation
		Policy Formulation & Impact Analyses	Marketing
		Administrative Law	Interpersonal Skills
		Stakeholder Management	Corporate Governance
			Innovation capability
			Problem Solving

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