

A Cutting-Edge Platform to Drive Economic Transformation



OIC BUSINESS INTELLIGENCE CENTRE (OBIC)

The Role of Digital IDs and e-KYC Registries in Financial Inclusion and Trade Promotion : The Experience of Afreximbank in Creating the MANSA Digital Platform

OBIC Capacity Building Programme

26-28 September 2023, Istanbul, Turkey

Digital IDs & E-KYC Registries

- Afreximbank through registration on the MANSA Digital Platform assigns to onboarded entities a unique ID called the Africa Entity Identifier (*AEI*) Code.
- The *AEI* Code serve as an attestation of the existence, credibility and authenticity of onboarded African Entities as facilitated by the *MANSA Verification Framework*.
- Assigning of the *AEI* Code, boost confidence in dealing with African Trading Counterparties thereby enabling and promoting Trade with African Entities.
- MANSA enables and facilitates implementation of *FATF 40 Recommendations on KYC* thereby supporting compliance with such international regulations and practices.

Digital IDs & E-KYC Registries

- The Global Legal Entity Identifier Foundation (GLEIF) approached Afreximbank to collaborate on the MANSA Digital Initiative by adopting Accreditation to the GLEIF's Operating Unit Role.
- Under this role, MANSA will issue GLEIF's *Legal Entity Identifier Code (LEI)* alongside the *Africa Entity Identifier (AEI) Code*.
- In October 2021, the Financial Stability Board published a white paper in which a proposal was put forward to require LEI for all cross-boarder payments, making use of the Digital IDs a must have for cross boarder trades in the near future.



MESSAGE FROM THE DESK OF HEAD-MANSA

The MANSA Digital Initiative offers strong business opportunities for African entities by creating visibility for their products and facilitating access to information on potential suppliers and creating new markets for value-added products of exporting corporates and SMEs.

Accordingly, MANSA-verified entities are equipped with their African Entity Identifier (AEI) code, which is a key requirement for entities to leverage other Afreximbank's products and initiatives. Endorsed and recognized by the Association of African Central Banks (AACB) as a pan-African one-stop shop for due diligence matters. Discussions are also at a high level for the African Union (AU) to consider as well as recognize MANSA as Africa's 'Go To' platform on all due diligence matters.

With the advent of AfCFTA regime, MANSA is envisioned to play a catalytic role to boost and promote intra-African trade by enabling trading partners to access intelligence and obtain due diligence information on trusted counterparties across the region and with the rest of the world.

MANSA is an enabler, a game-changer, passport to trade and investment, as well as an engine of trade growth.

"Go Global with MANSA"

Capture Data! Capture Trade!

Background – MANSA Digital Initiative

IMPEDIMENTS TO THE GROWTH OF AFRICAN TRADE

*According to a published Report titled **Trade Finance in Africa: Trends Over the Past Decade and Opportunities Ahead**, which was based on a survey of more than 600 commercial banks across 49 African markets conducted jointly by the African Development Bank (AfDB) and the African Export-Import Bank (Afreximbank) 2011-2019, it was observed that:*

RIISING TRADE FINANCE REJECTION RATE

Rejection rates for trade finance applications for SMEs in Africa are rising, with bank participation in activities decreasing. In 2019, 71% of banks surveyed engaged in trade finance activities, compared with 92% in 2014.

DUE DILIGENCE COSTS

Competition, Know-Your-Customer (KYC) and Anti-Money Laundering (AML) regulations, etc, have increased due diligence costs and eaten into margins, making smaller transactions unprofitable for banks operating across the continent.



TRADE FINANCE GAP

The average size of the trade finance gap in Africa was estimated to be US\$91bn, a decrease from US\$120bn in 2011 (base year).

KYC/AML COMPLIANCE

16% of banks engaged in trade finance listed KYC/AML compliance as the key cause for rejection of trade finance applications during the period 2015-19, compared with less than 1% in 2013-14.

FACTORS LEADING TO THE CREATION OF MANSA



Introduction – MANSA

WHAT IS THE MANSA DIGITAL INITIATIVE

WHY THE NAME MANSA?

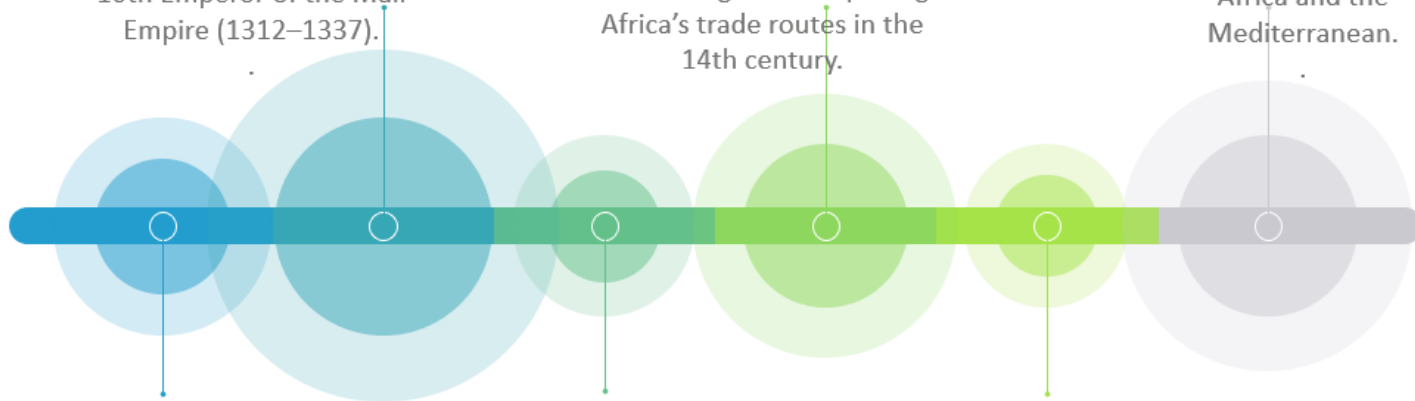
The MANSA Platform derives its name from Mansa Musa, who was the 10th Emperor of the Mali Empire (1312–1337).

OPENING TRADE GATEWAYS

Mansa Musa is credited with placing Africa on the world map through his immense wealth of gold and opening Africa's trade routes in the 14th century.

TRADE FLOW

Mansa Musa is said to be the only man ever to control the flow of gold between Africa and the Mediterranean.



THE MANSA DIGITAL INITIATIVE

Given the importance of the Platform to the African continent, through the promotion of trade in Africa, Afreximbank sought to name the Platform to symbolize its significance to the continent as an Africa-focused platform providing a centralized repository for customer due diligence information, with the goal to promote trade in Africa and with the rest of the world.

THE MANSA DIGITAL BUSINESS INITIATIVE JOURNEY

2014

- MANSA's first communique signed in Dakar, Senegal.
- The MANSA Advisory Council inaugurated.

2015

MANSA Consultative Forum in Seychelles.

2016

MANSA Consultative Forum in Rwanda.

2017

MANSA presentation and platform walk-through to the Executive Management of the Bank and Board.

2018

- Soft launch of MANSA by the MANSA Advisory Council.
- MANSA Official Launch in Abuja, Nigeria.

2019

- Tripartite MOU signed between MANSA Digital Initiative, Central Bank of Egypt (CBE), and the Egyptian Banking Institute (EBI).
- In collaboration with EBI conducted 8 series of MANSA training to FIs and corporates across Africa.

2020

MANSA Operational launch held virtually at the peak of the Covid 19 Pandemic.

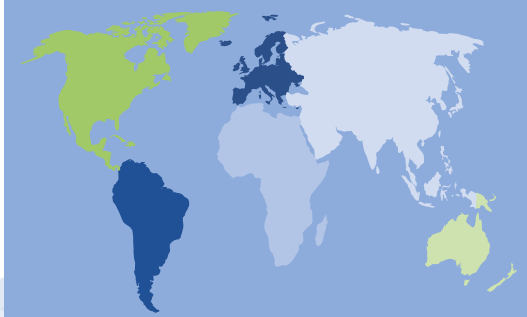
2021

- MANSA achieved its first milestone of 1000+ profiles on the Platform.
- AACB endorses MANSA as Africa's HUB for due diligence matters.

2022

- MANSA signs MOU with the Organization of Eastern Caribbean States (OECS).
- MANSA surpasses the 10,000 contributor entities mark.

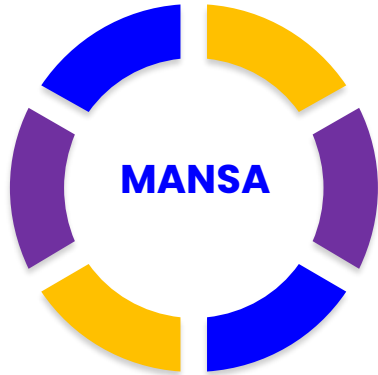
COLLABORATORS AROUND THE WORLD



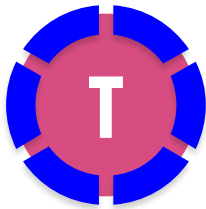
2023

- MANSA migrated to a new enhanced system to improve stakeholder experience.
- MANSA signed up over 28 subscribers and anticipate 40+ subscribers by year-end.
- AU STC and Bureau of Ministers at its 5th sitting recognised and endorsed MANSA as a Pan-Africa Due Diligence System, Ministerial declaration to be submitted for African Heads of States endorsement at its next summit.
- MANSA is pursuing Observer status at FATF-Styled Regional bodies annual forum.
- MANSA in collaboration with National Bank of Rwanda held and concluded a series of webinars for Rwandan Banks, MFIs and insurance companies.

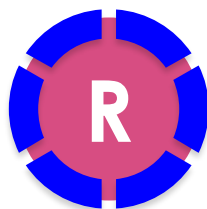
OBJECTIVES OF THE MANSA DIGITAL INITIATIVE



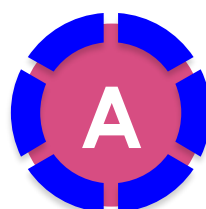
Interventions by the MANSA Digital Initiative seek to fulfil and drive **T.R.A.D.E.** as shown below



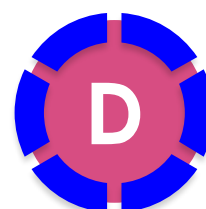
**Trade
Promotion**



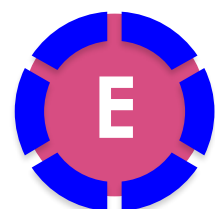
**Reduce
Compliance
Costs**



**AML/CFT,
help fight ML
& TF.**



**Due
Diligence
Information**



**Encourage Good
Corporate
Governance Culture**

Platform Status – August 2023

Contributors

11,641

Subscribers

28

Contributors by Sector

Corporates

4,321

SMEs

6,977

Financial
Institutions

343

onboarded over
45% of listed
African Corporates.

Onboarded nearly 50%
of estimated African
Commercial Banks.

MANSA DIGITAL INITIATIVE PILLARS

CUSTOMER DUE DILIGENCE

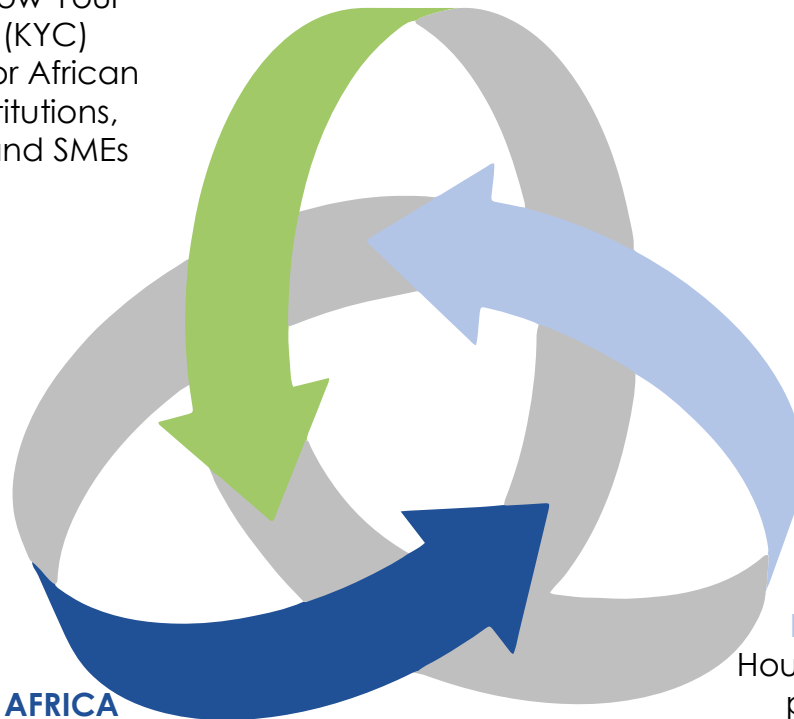
Contains Know Your Customer (KYC) information for African financial institutions, corporates and SMEs

INVEST IN AFRICA

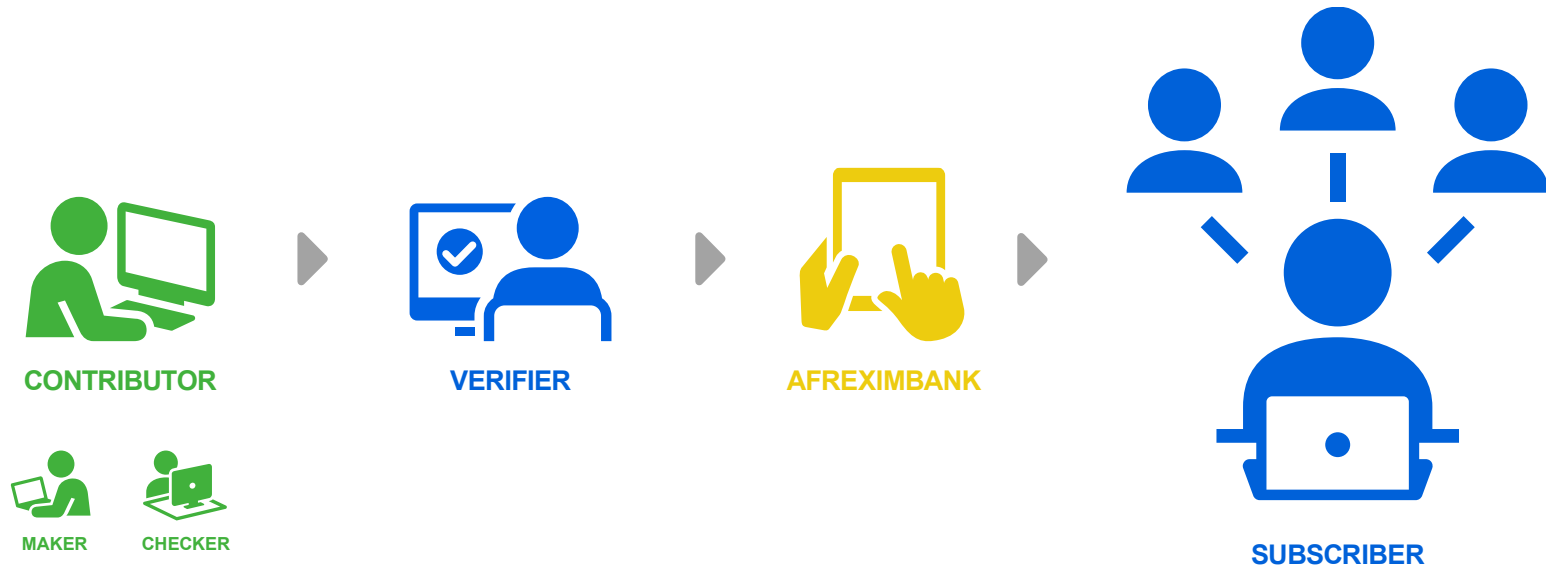
Contains primary relevant information for potential investors seeking investment opportunities in Africa, such as trade information links on investment promotion centres in Africa, etc.

NEWS AND EVENTS

Houses news, events and publications which provide relevant information in Africa's compliance space and investing in Africa.



MANSA Customer Due Diligence – Process Flow



INFORMATION COLLECTED AND PROFILE OUTLOOK

Back

Complete

+	Identification
+	Ownership and Management
+	Business Information
+	Compliance Information
+	Financial Information
+	Other Information

Back

Complete



Egypt - Afreximbank

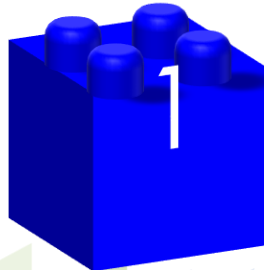
Visit Profile

The Bank was established in Abuja, Nigeria in October, 1993 by African Governments, African private and institutional investors as well as non-African financial institutions and private investors for the purpose of financing, promoting and expanding intra-African and extra-African trade. The Bank is headquartered in Cairo, Arab Republic of Egypt, and has branch offices in Harare, Abuja and Abidjan. It provides services to Governments, Financial Institutions, Large Corporates and Other Clients.

WHO DOES MANSA TARGET

Financial Institutions

Banks, insurance companies, investment management firms, pension funds, stock broking firms, MFIs etc.



Corporates
Large-scale importers and exporters, listed companies etc.

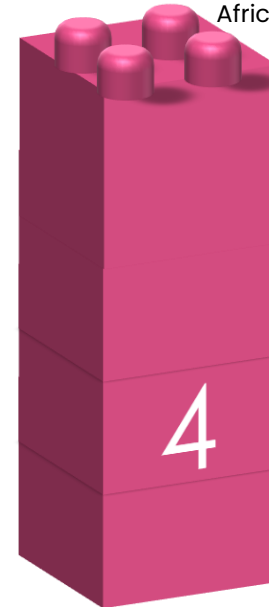


SMEs
Exporting and Importing enterprises classified as SMEs, and MSMEs in all sectors.



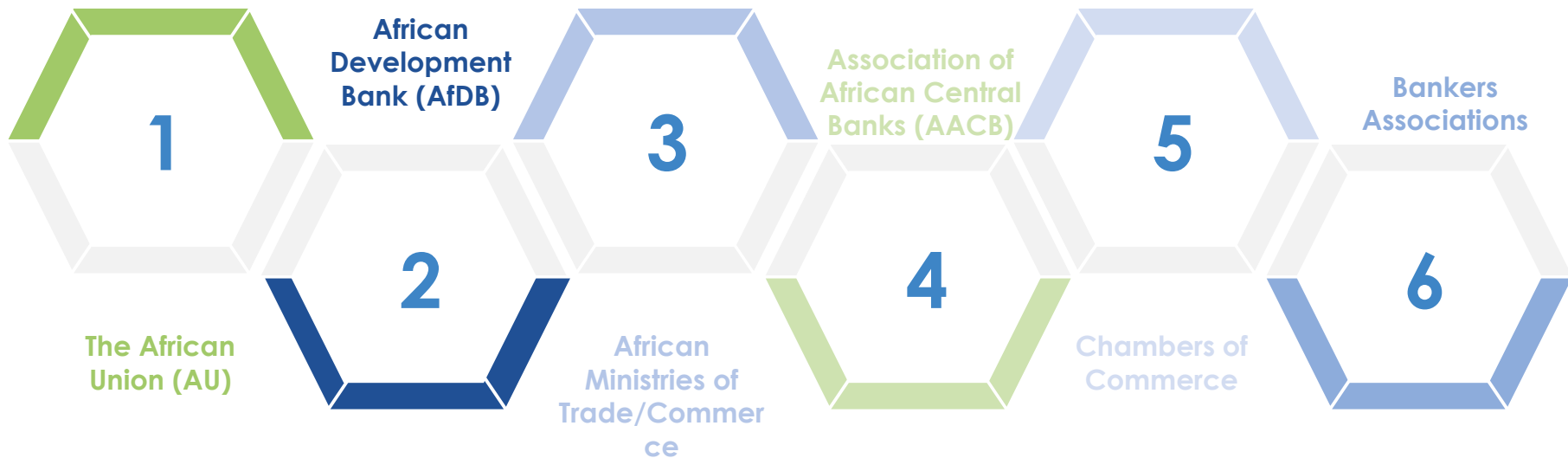
Subscribers

Global FIs, correspondent banks, investors, multilateral institutions, African FIs, traders etc.



Some Key Partnerships and Industry Support

- To provide more visibility and credibility, the MANSA Platform has broad buy-in and support from all relevant stakeholders in the continent;
- The platform has the endorsement of the following key stakeholders:



Benefits of MANSA



INVESTORS

Provide a single, easily accessible platform for accessing investors for both equity and investment purposes.



NEW MARKETS

Being MANSA-verified will provide access to new markets across Africa.



SUPPLIERS

Corporates and SMEs will have access to a wide number of suppliers across Africa.



COUNTRY LISTING

Promote inter-African trade through providing information on all African countries' natural resources and their cooperative advantage



EXPANSION OF TRADE

Increased transparency potentially leading to expansion of trade/business relationships in Africa



GOOD GOVERNANCE

Promote good governance culture and enhance transparency and accountability in intra and extra-African trade.



RELIABLE KYC/CDD INFORMATION

Provide at low cost trading partners with access to relevant and reliable information on counterparties in intra-African trade.

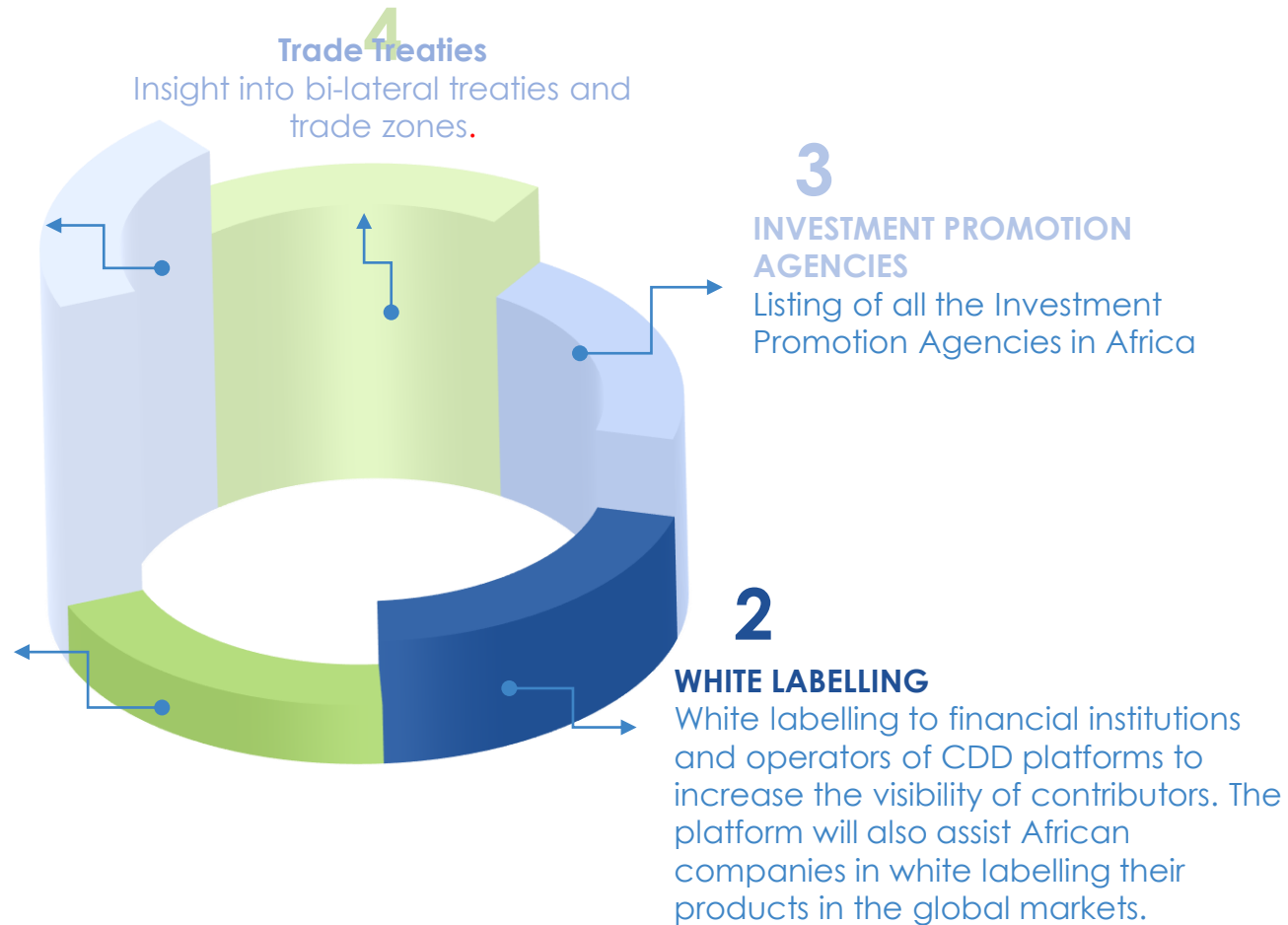


LINKAGES

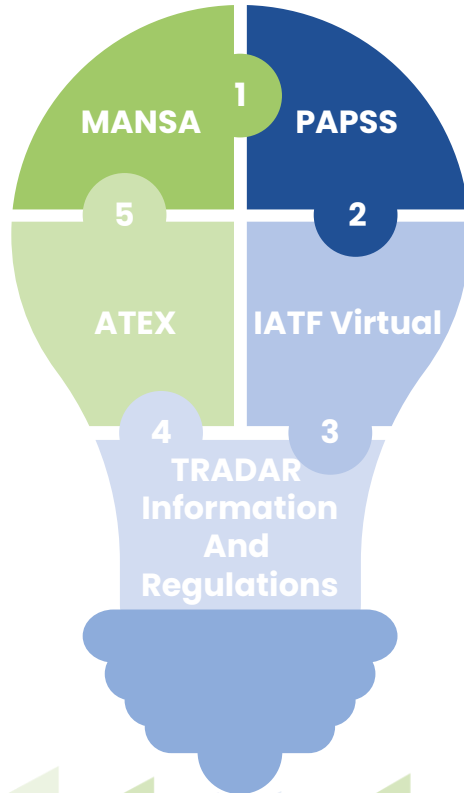
As subscribers facilitate linkages among entities in different countries.

BENEFITS OF ONBOARDING YOUR ENTITY'S PROFILE ON MANSA

OTHER TRADE PROMOTING FEATURES OF MANSA



THE AFRICA TRADE GATEWAY (ATG)

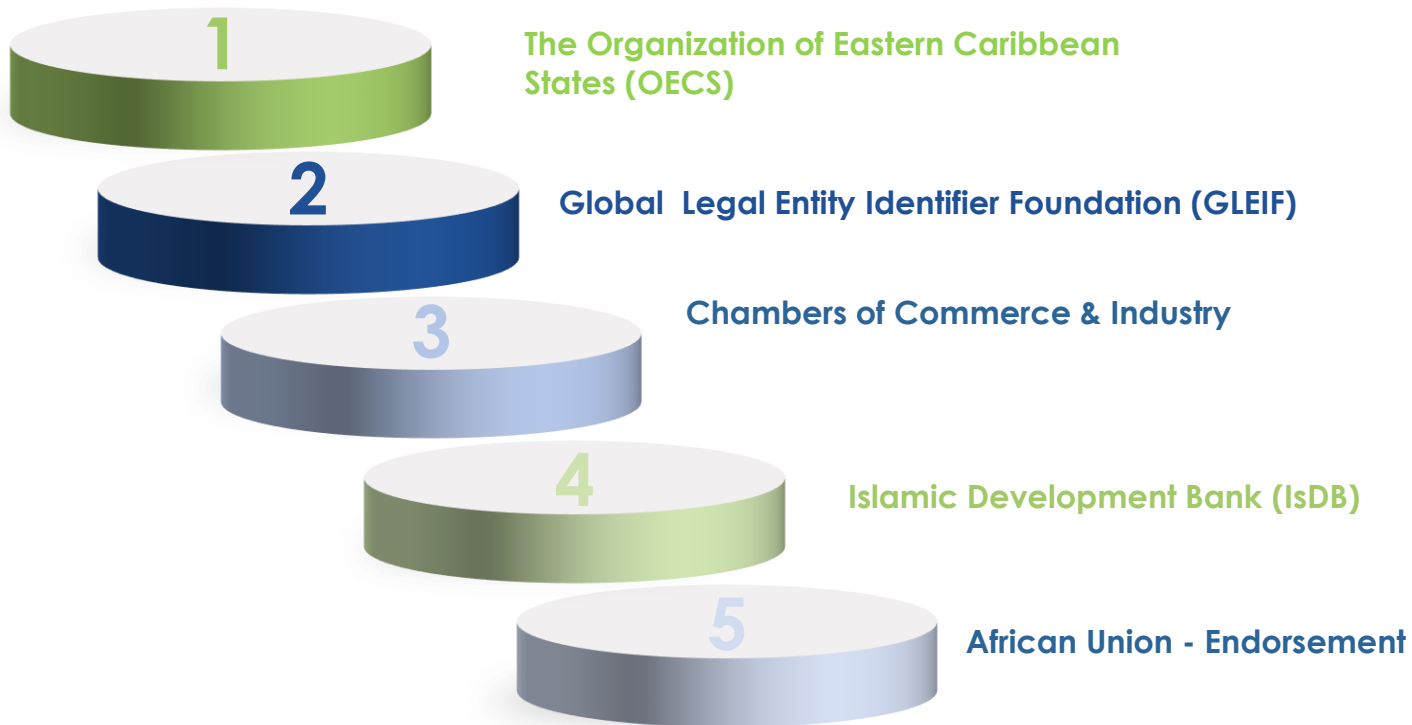


The Africa Trade Gateway will eliminate some of the challenges to intra-African trade, particularly around the complexities of payment transfers within Africa, low access to trade and investment information, and costs associated with conducting Know-Your-Customer checks on African entities.

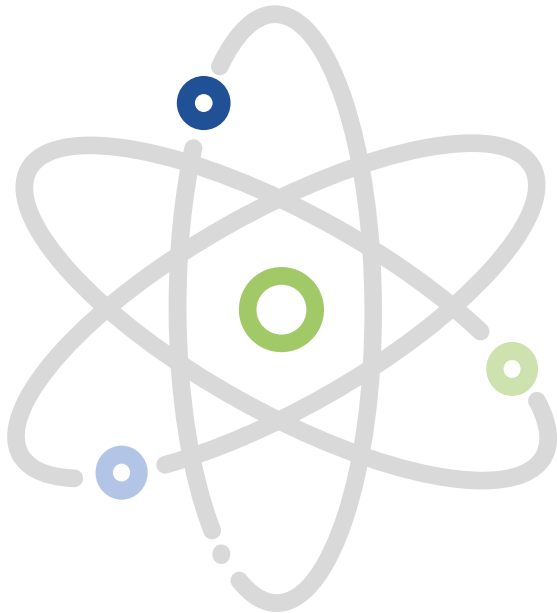
ATG Facilitating the implementation of AfCFTA

Capture Data! Capture Trade!

MANSA RELATIONSHIPS ON THE HORIZON



ISO CERTIFICATION – FIRING THE FOUNDATIONS



-  **ISO/IEC 27001:2022** Information Security Management Systems (**ISMS**);
-  **ISO 22301:2019** Business Continuity Management Systems (BCMS)
-  **ISO/IEC 20000:** Service Management System (SMS)
-  **ISO 27701:** Privacy Information Management (PIMS)

SOME OF OUR KEY REGULATORY PARTNERS



AFRICAN DEVELOPMENT BANK GROUP



SOME OF OUR STRATEGIC PARTNERS





Thank you