Second SADC Financial Inclusion Indaba Report

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FINMARK TRUST
Making financial markets work for the poor

SADC BANKING ASSOCIATION
TRANSFORMING BANKING IN SOUTHERN AFRICA

DAY 1

OFFICIAL WELCOME

SADC DEPUTY EXECUTIVE SECRETARY
Dr T. Mhlongo

Dr Mhlongo presented the opening remarks and officially welcomed delegates, emphasising the importance of the Indaba deliberations that will be tabled at the SADC Council of Ministers for adoption. Dr Mhlongo noted that financial inclusion features prominently in the regional integration and industrialisation strategies, particularly because many of our countries have large informal sectors. He highlighted mobile technology as a key lever in reaching these informal sectors of our economies. Dr Mhlongo concluded by noting that while SADC was committed to enhancing financial inclusion, the job of delivering financial services to our people remains that of the private sector and thus we must continue to work in partnership with the private sector.

KEY NOTE ADDRESS: WHY FINANCIAL INCLUSION

ZIMBABWE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT
Hon P. Chinamasa

The keynote address was delivered by Hon P. Chinamasa, Zimbabwe Minister of Finance and Economic Development. The Minister highlighted issues impacting the financial inclusion space in the context of SADC. The Minister, in his address, noted that financial inclusion was at the heart of the very founding of SADC, even in its former Southern African Development Coordination Conference (SADCC), the forerunner of SADC. SADCC was a forum for countries to assist each other in solving development challenges where differences in the pace of development were emerging. The Minister indicated that the regional block was formed with a view towards fostering regionally integrated growth (that ultimately empowers our citizens) and peace (since it was recognised as a prerequisite for growth).

Zimbabwe's focus on Financial Inclusion was also highlighted by the Minister. The Minister mentioned that the FinScope MSME surveys confirmed the structural shift in the Zimbabwean economy towards one that is dominated by informality. The Zimbabwean government has embraced this 'new normal' and significant policy shifts were made, culminating in the launch of the Zimbabwe Financial Inclusion Strategy in 2016 which is aimed at promoting quality and affordable financial services.

The Minister concluded by challenging the Indaba to deliver a number of clear guidelines that could be supported by the SADC Council of Ministers. These included:

- A clear strategy for increasing the use of mobile technology;
- Guidelines for unlocking MSME access to finance;
- Guidelines on providing better information to lenders so they can extend credit

to individuals and MSMEs; and
- Guidelines for promoting intra-regional trade.

FINANCIAL INCLUSION IN THE GLOBAL CONTEXT

UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF) DIRECTOR OF FINANCIAL INCLUSION

Dr H. Dommel

Dr Dommel discussed the UNCDF MAP programme which is run in partnership with FinMark Trust and Cenfri. He highlighted the important data and analytics that have been yielded by the MAP program which has allowed for better stakeholder engagements. Furthermore, the MAP diagnostic has yielded actual and implementable roadmaps with policy makers already implementing these in a number of countries. This link between research and implementation provides an effective platform through which new innovations can find a path to actual implementation. Dr Dommel further outlined the six key UNCDF priorities which are information and research support, consumer financial empowerment, financial policy and regulation, financial integration, retail payment systems, and microinsurance.

CURRENT INITIATIVES AND APPROACHES IN SADC

WHAT THE DATA IS TELLING US

Dr K. Mutsonziwa

Dr Mutsonziwa highlighted some takeaways from the FinScope Client Surveys done in the various SADC markets. These included:

- Remaining disparities regarding gender in regional financial inclusion. The data shows formal inclusion is 7% higher for males across the region. When SA is removed, formal inclusion is 12% higher for males than for females;
- Financial literacy continues to be a challenge;
- Insurance penetration remains low;
- The data shows a high penetration rate for mobile phones;
- Credit statistics show low levels of credit literacy and high levels of indebtedness;
- 1/3 of the SADC population is still excluded;
- There is a large MSME population - however most are excluded and resort to using their own capital.
- There is an overall trend in reduction of the formally banked population and an increase in the use of informal financial services.

FSDs FINANCIAL INCLUSION

B. Wilkinson

Ms Wilkinson discussed the work of the 10 FSD organisations across Africa and how they are assisting in making markets work for the poor. Through innovative approaches, such as competitions to win enterprise funding in Zimbabwe or immersive financial product development in Tanzania, FSDs are finding new and creative ways to play the role of market facilitators. One key example was how FSD Zambia was coordinating the sharing of information between financial inclusion players and local chiefs in Zambia. This gave financial inclusion interventions significantly greater traction as they now had the support of the chiefs.

YOUNG WOMEN IN BUSINESS NETWORK
N. Likotsi

Ms Likotsi gave a very passionate presentation on the work that the Young Women in Business Network (YWBN) is doing to further financial inclusion. This is through making young women players in the provision of financial services to other women. Having accepted the findings of the numerous research projects that have been conducted in the financial inclusion space, YWBN is engaging in practical on-the-ground projects to make financial inclusion of all women a reality. YWBN has managed to secure a corporative banking licence with which it has established a bank focused on productive lending to its members. The capital requirements for the bank were raised from bank members themselves through consistent monthly savings. This shows the power of collective action in addressing financial inclusion challenges. Ms Likotsi encouraged the Indaba to be more action-oriented and to tackle the challenges faced by women citizens head on. Ms Likotsi furthur advocated for the establishment of a womens bank.

COMMUNICATIONS REGULATORS ASSOCIATION OF SOUTHERN AFRICA (CRASA) HEAD OF POSTAL SERVICES COMMUNICATION
B. Mwanza

Mr Mwanza spoke at length about the important role CRASA, and post offices, in particular, could play in extending financial inclusion across the region. Post offices have a large network of physical infrastructure, giving them particularly wide reach that makes them effective conduits for access to financial services. In many of the remotest areas, post offices are the only governmental agency or service available. Post offices have a long history in providing financial services and have built up the trust and confidence of the populace. Additionally, because post offices are government agencies, they have universal service obligations that mandate them to ensure service is extended to all citizens. It is therefore imperative that policy makers leverage post offices in their financial inclusion strategies. An example of this is the current initiative being utilised in Botswana.

THE SADC MAP PROGRAMME
N. Kettles

Ms Kettles provided an update on the SADC Making Access Possible (MAP) program. MAP is a multi-country initiative to support financial inclusion through a process of evidence-based analysis feeding into a financial inclusion roadmap. The process includes a review of the supply-and demand-side data, a regulatory review and engagement, and interviews with stakeholders. This collaborative approach results in the road map and subsequent FI strategy development. Interventions from FMT to support the implementation of the FI strategy include prioritisation of specific interventions, development of a measurement framework to track increased FI, in-country coordinators to drive the priorities, M&E framework management, and donor engagement. The program has been successfully implemented in 6 SADC countries with a 7th (Madagascar) MAP diagnostics to be completed in the next month. Ms Kettles also listed a number of regional intergration projects such as credit information sharing, mobile money guidelines, and cross border remittances initiatives.

DAY 2

THE REGULATORS AND POLICY MAKERS DILEMMA

CHIEF DIRECTOR, NATIONAL TREASURY OF SOUTH AFRICA
K. Gibson

Ms Gibson discussed the evolution of the regulatory outlook since the global financial crises of 2008. Regulators have a history of being slow to respond to the market but that was now changing. Furthermore, regulators had moved away from trying to solve all scenarios but instead were now focused on ensuring risks were managed through a framework of principles and guidelines. Regulators try to balance ensuring that financial needs are met while protecting vulnerable consumers from large financial service providers. Ms Gibson listed a number of challenges such as the Financial Intelligence Centre Act (FICA).

DIRECTOR, PAYMENT SYSTEMS, CENTRAL BANK OF MOZAMBIQUE
A. Da Gloria Vaz Bila

Ms Vaz Bila emphasised that Mozambique is committed to financial inclusion, having launched its financial inclusion strategy in 2015. However, efforts at stimulating the use of formal financial products are hampered by the fact that much of its population lives in remote rural areas. KYC requirements include a national ID, tax ID number, and proof of residence, all of which are difficult to obtain in rural areas. While financial institutions are allowed to KYC a client via statements of two witnesses, many institutions feel this is too risky and do not offer this.

DEPUTY SECRETARY, BOTSWANA MINISTRY OF FINANCE
E. Richard-Madisa

Ms Richard-Madisa discussed the improving relationship between industry and regulators in Botswana. Previously regulation was developed in isolation and often did not reflect the changing market dynamics. However, policy makers have set up a financial sector working group whose mandate is to coordinate implementation of the Financial Sector Development Strategy. While the working group has made good progress, it still faces the challenges of fragmented legislation that is not harmonised and compounded by legal barriers, to the sharing of information across agencies.

Comments from the floor:

Several comments were received from the floor. These included:

- It is not about opening accounts but rather effective banking that both grows shareholder value while delivering FI;
- Risk-based approach is not as easy to implement because risk decisions comes down to one person – bank head of risk – who wants to add zero risk;
- We should consider stakeholder value, not just shareholder value;
- It is not the small entry-level transactor that is high risk to the financial sector but rather the large financial institutions themselves; and
- Banked/unbanked to not be viewed in binary terms. Define 3 – 5 categories reflective of how people actually use products.
- The use of the sand boxing method for testing development of regulations such as inovations in the fintech area.

THE ROLE OF THE PRIVATE SECTOR

THE BANKING ASSOCIATION SOUTH AFRICA
K. Mathe

Mr Mathe noted that SA is an anomaly because financial inclusion metrics look good on paper and the financial sector is highly developed - however there are still structural systemic issues limiting real effective inclusion. He noted that even though we are behind East Africa on mobile money, the various E-wallets have been gaining popularity, possibly due to lower KYC requirements. The continued perception of high banking fees was leading to high dormancy rates and accounts being used as post-boxes, thus stifling further beneficial use of bank accounts.

VODACOM LESOTHO
P. Mphunyetsane

Ms Mphunyetsane highlighted the popularity of Vodacom's mobile services, having accumulated over 1.4 million customers out of a total national population of 2 million. The M-Pesa mobile money platform has 3600 agents nationwide and handles R370 million in transactions per month. Given the mountainous terrain of the country, mobile money has become the only way to get money into remote, hard to access rural areas. Vodacom is willing to partner with other players to leverage this platform and is working with the government to distribute grants and with NGOs and corporates to pay workers in far flung communities. Vodacom's cross-border remittance programme between South Africa and Lesotho is an important mechanism for inclusion of migrant workers.

ECOCASH ZIMBABWE
N. Jabangwe

EcoCash has grown to become one of the world's largest mobile money platforms. Given the informal nature of the Zimbabwean economy, EcoCash is an important conduit for financial inclusion and an important contributor to the GDP. This has been achieved off the back of a nationwide network of over 25,000 agents and savvy customer service and marketing programs. EcoCash has extended its mobile money services to card-based payments as well as saving and insurance products.

UNLEASHING THE POWER OF DATA FOR FINANCIAL INCLUSION
C. Lee and N. Ncube

Ms Lee and Mr Ncube discussed the power of data in diagnosing challenges with financial inclusion and designing solutions. Innovative ways of measuring financial inclusion are needed to allow for the development of policies that are informed by measurement and provides a deeper understanding of inclusion metrics such as a more granular understanding of banked statistics into dormant, rarely used or often used categories. When one looks at financial product categories, one misses a better understanding of how consumers are deriving value. For instance, while credit usage statistics may be high, it may hide the fact that debt is being used to cover risk events which would be more appropriately covered by an insurance product. Many new Fintechs are finding innovative ways to use data to deliver financial services. One example is the use of non-financial behavioural data to perform credit scoring for micro-loans. Data has been gathered for countries such as Mozambique, Tanzania, and Zambia.

MAPPING THE WAY FORWARD
SADC EDF 11 Consultants

Financial inclusion is one of the four pillars in an EU program to support the business environment in the SADC region through a financial contribution agreement between the EU and SADC. Under the financial inclusion component, a comprehensive regional action plan will be developed that identifies relevant stakeholders and articulates yearly work plans. The action plan will address areas such as support to the microfinance sector, women and youth in rural areas, consumer protection, and expansion of the scope of credit bureaus. The program is financed with a budget of €14m which will be split between support to the SADC FIC unit (20%) and the four project components of which financial inclusion is one (80%).

COMMISSION DISCUSSIONS AND RECOMMENDATIONS

During the two-day Indaba, delegates broke-away into five themed commissions aimed to expose participants to the importance of these aspects/sectors of financial inclusion and to identify opportunities for innovation to address financial inclusion challenges in SADC. The commissions emerged with a number of recommendations for the advancement of financial inclusion in each of their themed areas.

COMMISSION 1- PAYMENTS, REMITTANCES, DIGITAL FINANCE

FOCUS OF PAYMENTS, REMITTANCES, AND DIGITAL FINANCE DISCUSSIONS

The four high level areas of focus were identified as follows:

1. Commitment to the RACH with a focus on low value, high volume transactions.
   a. Inter-operability between the SADC countries, as part of the FIP is integral to supporting the economic hub.
   b. Options such as regional harmonisation exemption, for low value payments should be assessed – in line with the current EU exemption.
   c. Volumes through the Regional clearing hub will reduce clearing costs for the region.
2. SADC mobile money.
   a. Supporting countries to ensure the region adopts these guidelines. This would create a more harmonised approach to cross-border remittances, which will drive down costs.
3. Innovation to unblock challenges.
   a. The concept of a Digital Financial Identity given that documentation is a challenge in meeting the FICA requirements to access formal financial services. Within SADC, if some agreement around Digital Financial Identity- separate from the National ID – can be created – the utilisation of financial services within SADC could be enabled through consistency.
   b. Crypto currency and the uses.
4. Deposit insurance – specifically for mobile money.

COMMISSION RECOMMENDATIONS

The following recommendations, in each of the areas were made by the group. It should be noted that some recommendations are country specific and some are needed at a regional level.

1. Commitment to the RACH.
   The business case and relationship management to provide these services rests with the individual stakeholders. The greatest challenge currently is the technical integration.
   a. Messaging standards – the messaging standard utilised in the RACH ISO 2022 has not yet been adopted by the individual countries, and the timelines for the adoption are different for the individual countries.

An impact study is needed to assess the level of readiness and the conversation times for each country – to assess the risk to this project. SA for example – has the adoption of the standard planned for the end of 2020.

b. Settlement through SIRESS for low value high volumes – at this stage only two countries are technically complete but not live.

A readiness assessment by countries, with committed timelines needs to drive by SADC BA, feeding back into the regional Secretariat.

2. Mobile money guidelines.

a. Assessing the adoption of the guidelines within the region.

On the five main areas for consideration, providing, collating and publishing updates consistently.

b. SADC Use case study – to support understanding within the region, and learning opportunities

Tracking of the volume and values of all mobile money use cases within the region.

c. AML/KYC Harmonisation for mobile money.

d. In-country domestic operability.

Defining the different types of operability, via technical, mobile network operator etc. and providing data consistently to all countries.

e. Stakeholder and regulatory forum.

In Lesotho a forum has been convened, projects defined and confirmed for delivery, etc. Establishing a similar environment for each country and for the region.

3. Innovation to unblock challenges.

a. Creating a safe environment to sandbox innovations.

b. Create a database of innovations and use cases for access by the region.

The Mobile Money Guidelines drafted by FMT, were adopted as the working guidelines by the governors of SADC – at the CCBG strategy session in June 2016. The strength of mobile money in supporting financial inclusion is confirmed in Africa and elsewhere in the world. We need to support the implementation of these guidelines.

COMMISSION 2 – CREDIT AND MICROFINANCE

UNPACKING THE CREDIT AND MICROFINANCE LANDSCAPE

Credit and microfinance products are key financial services that are used as vehicles for advancing financial inclusion. In the credit space, data about consumers' credit habits is essential in ensuring (i) the providers are well attuned to the debt portfolio they have and (ii) consumers are not over indebted. Within the SADC countries, various credit data sharing initiatives are underway and should be closely monitored as they yield either good results or unintended consequences.

Experiences regarding credit data sharing initiatives were shared from the various countries with the following characteristics:

Advantages of data sharing:

- Reduces probability of being over indebted;
- Faster processing time of credit;
- Reduces cost of borrowing; and
- Increase access to finance as a result of capturing positive information.

Disadvantages of data sharing:

- Only negative information is shared in most cases;
- Misconception of the information that is held and how it should be used;
- When data sharing is limited to formal credit providers; and
- When not all data is shared.

The use of non-credit data (such as collateral, utility payments, airtime purchases, and Facebook) as an example of innovation in data usage is advocated in order to enhance the credit modelling and scoring systems – thus showing an alternative view about consumers.

Identifying the ultimate custodian of the credit data is an important task to ensure that a level playing field is assured. Possible custodians are regulators or credit bureaus.

Data privacy is important to protect the rights of the consumers, especially if only negative information is used for credit scoring disadvantaging the potential credit recipient. This additionally fuels the misconception that those who appear in the credit database are defaulters.

COMMISSION RECOMMENDATIONS

1. Introduction and accelerate the uptake of other micro-products (e.g. microinsurance, micro-savings, micro-investments, etc.);
2. Create awareness campaigns;
3. Define microfinance products – possible standardisation;
4. Formulation of policy/review of guidelines or regulations especially in the microfinance space to encourage new and innovative products;
5. Share insights and regulations within the region – each market is different and at different stages, therefore forums (like the SADC Financial Inclusion Indaba) offer an opportunity to discuss and share insights.
6. Innovation and new technology – research and lessons from various markets encourage innovation while promoting the need to maximise on technology (such as mobile) to serve the un-served;
7. Encourage use of both positive and negative data;
8. Regional toolkit/framework for data sharing – create a regional toolkit/framework on credit data sharing procedures and applications;
9. Study of current structures (private vs centralised) – research on why there is slow growth in the microfinance industry;
10. Use of non-credit sources – share lessons on the use of alternative data to enhance the credit scoring models, and enhance innovation in usage of data; and
11. Consumer protection mechanisms should be in place to shield consumers from over indebtedness.

COMMISSION 3 – MANAGING RISKS, MICROINSURANCE AND SAVINGS

MICROINSURANCE AND SAVINGS

Microinsurance
Providers are finding it difficult to develop compelling microinsurance products because of the lack of enabling regulations. Regulations placed on mainstream insurers are onerous for the microinsurance sector. Regulators must create a framework that reduces capital and reporting requirements which allow for easier distribution where insurers abide by simpler microinsurance product structures. Regulators must also be more responsive to this quickly evolving market. For example, South Africa's draft microinsurance regulation has been awaiting promulgation for 6 years now.

Traditional insurers need to adapt to the microinsurance market. Traditional insurers carry a large legacy cost-base and may find it difficult to profitably compete in the microinsurance space. This will be compounded by premium caps on microinsurance products. Ultimately, the growth of microinsurance will be driven by innovation around underwriting, risk management and distribution. Traditional models are too expensive and insurers are wary of the risks in this market as they do not have much data.

Savings
There are various types of informal savings groups typically seen in SADC countries. The large number of different savings group structures reflects the diverse needs of the membership base. Savings groups flourish because they have deep links in the community. Members are more likely to maintain their contribution commitments and repay their loans because they do not want to negatively impact their relationships in

the community.

Savings groups are an important first step in creating a social capital base that can in turn help stabilise household finances and lead to greater financial security for members of the community.

COMMISSION RECOMMENDATIONS

1. The industry needs a deeper understanding of the client base and market in this sector. Greater use of qualitative data must be made to generate deeper insights that give a better understanding of the needs of this market;
2. The industry must make greater use of regulatory sandbox approach to stimulate innovation;
3. Market facilitators have a role to play in assisting traditional banks and insurers to adapt their operating models to make them more accessible to informal savers and microinsurance customers; and
4. Enabling regulation must be promulgated to stimulate the microinsurance industry.

COMMISSION 4 – CONSUMER PROTECTION

THE IMPORTANCE OF CONSUMER PROTECTION

- Consumers have limited ability to advocate for their rights;
- Member States must strive to correct the imbalances of power between service providers and users;
- Enable and empower consumers to make informed choices;.
- Consumer access to proper recourses;
- International guidelines and principles for consumer protection adoption by Member States; and
- Consumer education on their rights, duties and responsibilities.

COMMISSION RECOMMENDATIONS

Consumer protection must be legislated into the Member States' Laws.These are prudential regulations, product-specific regulations and general consumer protection and competition regulations; The FI Indaba recommend the following:

1. SADC to develop a regional framework to encompass all the aspects of consumer protection;
2. The Indaba requested the formation of a task team to develop a Terms of Reference for this framework;
3. Once the framework is adopted by SADC, the countries will domesticate it into their legal framework;
4. The Member States must have adequate capacity to implement the consumer empowerment legislation;
5. Each country to develop a national financial education programme which will be part of their national curriculum; and
6. Credit information sharing mechanisms must be adopted that will benefit the consumers.

COMMISSION 5 – MSME AND ACCESS TO FINANCE

SUMMARY OF DISCUSSIONS: MSME AND ACCESS TO FINANCE

It is undisputed that the Micro-, Small and Medium Enterprises (MSMEs) sector plays a fundamental role in any economy, especially in the developing ones. It provides employment, competition, empowers the previously disadvantaged groups such as women, youth and rural adults, and also has growth prospects to sophistication and scaling of operations for MSMEs.

For the Southern African Development Community (SADC), MSMEs can be well promoted to drive the agenda of economic growth, radical economic transformation and citizen empowerment. The sector is the highest employer in most of the Member States and significantly contributes to Gross Domestic Product (GDP). For the region, MSMEs must be mainstreamed in the agenda for financial and economic inclusion at SADC level. According to the Finance Minister, Honourable P. Chinamasa at the SADC Financial Inclusion Indaba, "Economic growth does and must serve a purpose, i.e. the betterment of the livelihoods of the people. Without tangible benefits in the livelihoods of the people, no amount of GDP growth or investment will be of value to the people".

In this endeavour, the commission on MSME Development and Access to Finance was to discuss interventions to promote the sectors at national and regional level. The departing point was identifying "who owns the role of the MSME development?". Development partners, government, and the private sector all have the mandate to develop the sector into a sustainable business. The region is well endowed with minerals, arable farming land, tourist destinations, and labour. At a country-level, the champion of MSMEs development is a government who can leverage and allocate resources often limited to MSMEs such as land, capital, markets, etc., which form the basis through which MSMEs can flourish.

Another issue raised was a constrictive policy and regulatory environment that hindered the growth and formalisation of MSMEs. Most MSMEs in the region are individualistic (no employees) or micro-entrepreneurs (employ between 1 and 3 employees). With the bulk of the activity operating under the 'formal' radar, it becomes challenging to understand the trade and volumes they operate in. This indicated a need for studies or surveys that unpack the sector while balancing the formal and informal enterprises. Policies should be transparent, understandable and most importantly constructive. Issues around tax, the cost of registration, and licensing often deter formalisation of MSMEs. The lack of infrastructure such as designated market places that are ideally located could encourage MSMEs the bulk of which are usually agriculture-based or wholesale and retailers.

The subject of entrepreneurship was also raised during the discussions whereby the promotion of entrepreneurial culture was considered a national priority. The skill was thought to be essential to every economic citizen so as to increase the number of successful businesses and/or provide support. Introducing this to the school curriculum and also offering this to existing entrepreneurs could help promote the sector and improve the growth rate (thereby reducing the failure rate of small businesses). The appeal of the education curriculum should be changed from employee-centric approaches to employer-centric learning.

A presentation shared during the commission revealed that lack of access to finance by small enterprises in the region was the primary obstacle to start-up and growth. Most of the MSME business owners depended mostly on their personal network and informal credit sources to finance their businesses.

COMMISSION RECOMMENDATIONS

In light of the main issues raised above the following were recommended as solutions based on best practice.

1. Finance - SADC MSME Development Fund Facility under the Regional Development Fund – The approach under this recommendation was to expand the scope of the Regional Development Fund to encompass the generation of a fund that only deals with MSME development for the region. At a national level, ministries would then draw resources to fund well-detailed and structured programs aimed at promoting the sector. Funding was acknowledged to be the main obstacle also coupled with governance issues within development finance institutions. To raise funds and allocate them efficiently would require a unit with the RDF that adopts best practice to ensure success and sustainability of the fund.
2. Entrepreneurship - Cultivating skills, facilitating and developing trade areas, focus on strategic economic sectors per country & mapping of the sectors, linkages to big business (markets). The incorporation of national entrepreneurship programs in schools is key in cultivating an entrepreneurship culture. Programs at a local level should be channelled at businesses that show the most promise in growth and areas that are found to be key to a country's economic sectors. Government can promote the linkages to big businesses by allowing policies that govern large business to engage small business in a value chain model. A model of tendering can also be used given its popularity in the region. Again, good governance should be applied in ensuring that the tendering system is applied in a just manner allowing the MSME sector players to grow and participate in the larger economy.
3. Implementing FinScope MSME Surveys - Each member country must know their sector and have data on the size, performance, markets, psychographics, etc. of their sectors. The MSME surveys should also find prominence in being implemented in addition to the current standing of the approved Strategy on Financial Inclusion and SME Access to Finance on implementing FinScope Financial Inclusion surveys. This ensures that the overall MSME sector of the region can be sized, benchmarked

and segmented. This is key in unlocking the constraints of the sector and will allow evidence-based interventions.

4. Ownership of MSME development at national level – Some countries have ministries specifically responsible for the MSME sector, while some have an arm under other ministries. Whichever department or ministry the fate of the MSMEs fall under, there is need to have a body that is responsible and dedicated to the sector's development.

CONCLUSION AND WAY FORWARD

The host thanked the attendees and presenters and gave a special vote of thanks to the key note speaker honourable P. Chinamasa for availing himself for the two-day conference. The host appealed to attendees to continue to provide comments and feedback. These will be compiled to be presented to the council of ministers of finance for their consideration.