



Project Title

Africa Regulatory Support Programme



Implementing Partner

Securities regulators, IOSCO



Donor

FSD Africa



Value (in £)

2,975,000



Implementation Period

September 2018 – March 2023



Countries Covered

Kenya, Uganda, Rwanda, Ghana, Zambia, Zimbabwe, Nigeria, the West Africa Economic Monetary Union (WAEMU), Africa, and the Middle East region.



Project Description

The capacity of key institutions such as ministries of finance, central banks and capital market authorities to develop, monitor and enforce financial policies and regulations is critical to developing robust, competitive and ultimately poverty-reducing capital markets. However, many of Africa's regulators grapple with inadequate financing and human resource capacity gaps, resulting in outdated regulatory and supervision technologies and frameworks. These challenges hinder the development of African capital markets to facilitate efficient allocation of long-term capital. To address these challenges, ARSP extends technical assistance to regional securities regulators on: capacity assessment and strengthening, development of capital market development masterplans and strategic plans, regulatory frameworks for collective investment schemes, Islamic capital market products, and knowledge management products on listings and sustainability-related disclosures.



Target Results

- Improved policy and regulatory frameworks.
- Effective regulatory regime and capacity.
- More responsive regulators enable capital markets development.
- Long-term financing supported by new financing mechanisms
- Increased (domestic and international) investor confidence and investment opportunities in SSA financial markets.



Progress

- **Institutional Capacity Assessments:** Five Institutional capacity assessments (ICAs) for SEC Ghana, SEC Nigeria, SEC Zambia, SEC Zimbabwe, and CMA Rwanda have been completed. The ICAs are in various stages of implementation by the regulators. An ICA for the WAEMU Regional Council for Public Savings and Financial Markets (CREPMF) is in progress.
- **Capital Markets Masterplans/Strategies:** The following masterplans/strategies were reviewed and revamped: Zambia Capital market development, Nigeria capital market master plan, Kenya capital market master plan and Ghana Ministry of Finance strategy. A review of Securities Exchange Commission (SEC) Ghana's strategic plan is in ongoing.
- **Human Resource Transformation:** A human resources transformation project to increase resource utilisation efficiency in SEC Nigeria is in progress.
- **Ghana Corporate Bond Market Diagnostic:** The aim of conducting the assessment was to review and propose/recommend intervention to develop the corporate bond market in Ghana. Specifically, the report proposed measures for streamlining and simplifying requirements for corporate issuances to reduce costs of issuance, time to market and to increase access to long term capital. This was successfully completed.

Progress continued...

- **Review of Kenya's Collective Investment Schemes (CIS) Framework:** Kenya's CIS regulations have been reviewed and revamped to accommodate innovation required to drive growth of unit trust funds. They await enactment by the National Treasury.
- **Islamic Capital Markets Development:** Islamic capital markets regulatory development work in the WAEMU region has been completed.
- **ESG Landscape Study:** An ESG landscape study aimed at evaluating the gaps in sustainability related issuer disclosures in the Africa/ Middle East Regional Committee (AMERC) region has been initiated. This will be conducted in collaboration with the Africa/ Middle East Regional Committee of the International Organization of Securities Commissions (AMERC/IOSCO) secretariat.
- **Knowledge Products:** An Institutional Capacity Assessment (ICA) & Institutional Capacity Strengthening (ICS) Toolkit and white paper on 'Financial Sustainability and Regulatory Proportionality of African Capital Market Regulators' has been finalised. Dissemination plans are underway.



Contact

Mary Njuguna – mary@fsdafrica.org
Vimal Parmar – vimal@fsdafrica.org