Trade Financing for Small and Medium Enterprises within the African Continental Free Trade Area: A Law and Economics Perspective

TV Warikandwa*

Online ISSN
1727-3781

P·E·R
Pioneer in peer-reviewed, open access online law publications

Author

Tapiwa V Warikandwa

Affiliation

University of Venda, Limpopo, South Africa

Email

Tapiwa.warikandwa@univen.ac.za

Date Submitted

21 March 2025

Date Revised

05 September 2025

Date Accepted

05 September 2025

Date Published

06 March 2026

Editor

Prof Howard Chitimira

Journal Editor

Prof Wian Erlank

How to cite this contribution

Warikandwa TV "Trade Financing for Small and Medium Enterprises within the African Continental Free Trade Area: A Law and Economics Perspective" *PER / PELJ* 2026(29) - DOI http://dx.doi.org/10.17159/1727-3781/2026/v29i0a21628

Copyright

DOI
http://dx.doi.org/10.17159/1727-3781/2026/v29i0a21628

Abstract

The African Continental Free Trade Area (AfCFTA) has emerged as a contemporary and novel initiative aimed at advancing Africa's developmental agenda within the framework of the African Union's Agenda 2063 and growing intra-African trade. AfCFTA's implementation objectives are set out in Articles 3 and 4 of the *AfCFTA Agreement* and focus primarily on eliminating non-tariff and tariff barriers, trade facilitation and investment promotion, among other relevant variables that might boost Africa's competitiveness in the global economic environment. The Preamble of the *AfCFTA Agreement*'s *Protocol on Trade in Services* places emphasis on the need to develop the capabilities and potential of African service providers, especially those operating at the micro, small, and medium enterprise (SME) levels, to participate in regional and international value chains. To this end, the significance of trade financing in developing and/or expanding the African economy cannot be overstated. Banks in Africa and other African economies must provide the necessary capital to facilitate the establishment of businesses of all sizes - small, medium, and large – in order to stimulate the African economy's development and growth. In this article it will be argued that the AfCFTA sees financial institutions, especially banks, as underpinning its trade finance policy execution. There is therefore a need to support SMEs' access to trade finance in order to realise the AfCFTA's developmental agenda. African countries therefore have to change their attitude towards trade financing, which is often taken for granted on the continent.

Keywords

Trade financing; banks; AfCFTA; development; law and economics.

.....

1 Introduction

Trade financing is a vital element for guaranteeing trade growth.[1] Inadequacies in trade financing can thus be considered as a noteworthy non-tariff barrier to trade, particularly in Africa.[2] Empirical evidence indicates that eighty per cent of global trade is financed by credit insurance or credit.[3] However, small and medium enterprises (SMEs) find it extremely difficult to access trade financing.[4] Over fifty per cent of SMEs' applications for trade financing from banking institutions at a global level are rejected in comparison to only seven per cent with respect to multinational corporations.[5] Considering that SMEs are a key component of African economies and a key component for boosting intra-African trade and economic growth as envisaged by Article 27(2)(d) of the AfCFTA's *Protocol on Trade*,[6] there is a need to address SMEs' challenges in accessing trade finance. SMEs are the backbone of Africa's economy and a key vehicle for Gross Domestic Product (GDP) growth, promoting entrepreneurship, and

* Tapiwa Victor Warikandwa. LLB, LLM, LLD (UFH). Adjunct Professor, University of Venda, South Africa. E-mail: Tapiwa.Warikandwa@univen.ac.za. Senior Lecturer, Department of Law, Faculty of Social Sciences, University of Botswana, Gaborone, Botswana. E-mail: warikandwat@ub.ac.bw. ORCiD: https://orcid.org/0000-0001-5792-5635.[1] WTO 2025 https://financing.desa.un.org/sites/default/files/2025-02/Brief%20-%20WTO_Trade%20Finance.pdf.

2 Ur-Rashid and Khan 2024 *Structural Change and Economic Dynamics* 427.

3 Thang and Ha 2022 *International Economics* 110. Also see Van Wersch 2019 https://www.imf.org/en/Publications/WP/Issues/2019/07/31/Statistical-Coverage-of-Trade-Finance-Fintechs-and-Supply-Chain-Financing-46941 4; Impello Global 2025 https://www.impelloglobal.com/blog/exploring-the-role-of-trade-credit-insurance-in-international-trade.

4 DTIC 2024 https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/.

5 Quartey *et al* 2017 *Review of Development Finance* 18. Small and medium enterprises (SMEs) are the backbone of Africa's economy as they represent ninety (90) per cent of the continent's economic activity. It is therefore not justified to exclude SMEs from trade financing. Trade financing for SMEs will grant them access to the capital needed for conducting business, expand markets and export their products.

6 Article 27(2)(d) of the African Continental Free Trade Area's (AfCFTA's) *Protocol on Trade in Services* appears to acknowledge the key role of SMEs in ensuring economic growth by providing that State Parties must focus on, "improving the export capacity of both formal and informal service suppliers, with particular attention to micro, small and medium size; women and youth service suppliers". The African Union (AU) has also adopted the *Protocol to the Agreement Establishing the African Continental Free Trade Area on Women and Youth in Trade* as part of the recognition of the significance of SMEs to Africa's development agenda. Art 2(2)(b) provides one of the objectives of the Protocol as being the need to, "improve the inclusion of Women and Youth in Trade in the implementation of the AfCFTA to achieve sustainable economic development at the national, regional, and continental levels."

advancing initiatives for employment creation as provided for in Article 3(e) of the *AfCFTA Agreement*.[7]

SMEs contribute well over 50 per cent of the GDP In Africa, constitute over 90 per cent of the businesses on the continent, and account for over 75 per cent of employment in low-income countries.[8] It is therefore unquestionable that SMEs are a key component in the success of the AfCFTA. The *AfCFTA Agreement*[9] has as one of its general objectives the need to "create a single market for goods, services, facilitated by movement of goods of persons in order to deepen the economic integration of the African continent and in accordance with the Pan-African Vision of 'an integrated, prosperous and peaceful Africa enshrined in Agenda 2063'".[10] However, to achieve this salient objective there is a need for SMEs to be able to access trade finance.

An estimated one-third of Africa's trade finance demand (an equivalent of 100 billion United States dollars), remains unmet.[11] This implies that Africa has gaps in trade finance, a development which will make it difficult for the objectives set out in Article 3(a)-(h) of the *AfCFTA Agreement* to be realised.[12] More pointedly, as provided for in Article 4(a) of the *AfCFTA*

---

7 Employment creation is a key developmental goal in terms of the AU's *Agenda 2063* and the United Nations' sustainable development goals (SDGs). Further, Art 3(e) of the *Agreement Establishing the African Continental Free Trade Area* (*AfCFTA Agreement*) places emphasis on the need to "promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation of the State Parties". SMEs play a key role in ensuring employment creation, sustainable economic growth, gender equality and inclusive socio-economic development.

8 WEF 2023 https://www.weforum.org/stories/2023/07/why-priming-africa-s-smes-for-growth-is-about-more-than-money/.

9 See the *AfCFTA Agreement* signed at the 10th Extraordinary Summit of the African Union Assembly on 21 March 2018, Kigali Rwanda, entered into force on 30 May 2019.

10 Article 3(a) of the *AfCFTA Agreement*.

11 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/.

12 Article 3(a)-(h) of the *AfCFTA Agreement* provides for the following general objectives: "The general objectives of the AfCFTA are to: (a) create a single market for goods, services, facilitated by movement of persons in order to deepen the economic integration of the African continent and in accordance with the Pan African Vision of 'An integrated, prosperous and peaceful Africa' enshrined in Agenda 2063; (b) create a liberalised market for goods and services through successive rounds of negotiations; (c) contribute to the movement of capital and natural persons and facilitate investments building on the initiatives and developments in the State Parties and RECs; (d) lay the foundation for the establishment of a Continental Customs Union at a later stage; (e) promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation of the State Parties; (f) enhance the competitiveness of the economies of State Parties within the continent and the global market; (g) promote industrial development through diversification and regional value chain development, agricultural development and food security; and (h) resolve the challenges of multiple and

Agreement, and to the extent that inadequacies in trade financing are regarded as a non-tariff barrier, there is a need to ensure that state parties "progressively eliminate tariffs and non-tariff barriers to trade in goods."[13]

The trade financing gap as a non-tariff barrier in Africa is attributed to a combination of structural and developmental factors.[14] Such factors include the reluctance of the global financial services sector to invest in Africa post the 2008-09 financial crises and later the Covid-19-induced economic shocks.[15] Further, challenges relating to political interference with local banking sectors in selected African countries have resulted in bank closures and left existing banks without the capacity to close the extant market gap regarding trade financing.[16] This financing gap has left many deserving African SMEs deprived of the financial support they need to expand their businesses.[17]

It is in this regard that this paper is written with a view to emphasising the significance of broadening the base for the availability of trade finance from national, regional and international developments banks as well as increasing the capacity of financial institutions to make trade finance available. It is also a key objective of this paper to ensure that a flexible and not a rigid trade finance regulatory framework be adopted in Africa to curb the proliferation of prohibitive measures that discourage financial institutions from making funds available to SMEs for trade purposes.

It is not in doubt that the *AfCFTA Agreement* places an emphasis on lowering non-tariff and tariff barriers to trade, as well as to promoting investment and increasing Africa's competitiveness in the global economic context.[18] There is therefore a need to emphasise the role of financial institutions such as banks in providing trade finance for sustainable economic growth in the context of the AfCFTA.[19] It is a key function of financial institutions in Africa to ensure that they play a lead role in financial intermediation for business as a way of facilitating trade. Financial institutions must provide the capital needed to facilitate the establishment of all sizes of businesses including SMEs. If trade financing were to be

overlapping memberships and expedite the regional and continental integration processes."

13 Article 4(a) of the *AfCFTA Agreement*.

14 Nyantakyi, Mabuza and Amoussou 2021 http://afripoli.org/the-dynamics-of-the-trade-finance-gap-in-africa.

15 Flogel and Hejnova 2024 *Finance and Space* 460.

16 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/.

17 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/.

18 See Arts 2, 3(e), 12 and 21 of the *AfCFTA Agreement*.

19 WTO 2018 https://www.wto.org/english/res_e/booksp_e/tradefinsme_e.pdf.

available to SMEs, there is likelihood that SMEs in Africa could stimulate economies towards accelerated growth and development.[20]

This study will therefore explore the concept of trade financing within the context of SMEs and the AfCFTA's developmental agenda. The AfCFTA takes cognisance of financial institutions' role in enabling major sectors of the economy and other sectors such as energy, agriculture, manufacturing, infrastructure and the natural extractive industries, amongst other sectors.[21] As such, to ensure the effective realisation of SMEs' contributory effects towards sustainable economic growth in Africa there is a need for the provision of the requisite financing towards promoting intra-African activities such as the production of goods and services to consumers.[22] It is in this regard that financial institutions, specifically banks, will be regarded as key instruments for providing the much-needed financial support to SMEs to enable the promotion of trade at the intra-continental and intercountry levels.

The article will be divided into eight parts. The first part, which is this one, introduces the study. The second part presents an overview of SMEs and trade financing from a general and AfCFTA specific perspective. The third part discusses the notion of banks as leveraging institutions for trade financing for SMEs. The fourth part presents the challenges likely to be encountered with respect to SMEs and trade financing. The fifth part explores the concept of risk mitigation in trade financing. The sixth part looks at central banks' role in trade financing with a focus on SMEs. The seventh part presents recommendations arising from the study whilst the eighth part concludes the study. The second part is discussed first below.

2 SMEs and trade financing: An overview

The AfCFTA was adopted to advance Africa's development agenda through trade.[23] Article 3(2)(b) of the *AfCFTA Protocol on Trade in Services*

---

20 Trade financing is a significant component of ensuring sustainable development in Africa. It is a salient measure that must be adopted by State parties to ensure trade facilitation within the spirit and purport of Art of 15 of the *Protocol to the AfCFTA Agreement on Trade in Goods,* which provides that "State Parties shall take appropriate measures including arrangements regarding trade facilitation in accordance with the provisions of Annex 4 on Trade Facilitation."

21 The Exchange 2025 https://theexchange.africa/industry-and-trade/the-role-of-banks-in-enabling-afcfta/.

22 The Preamble to the *Protocol on Trade in Services* in part provides that the member states of the AU are "cognisant of the serious difficulty of the least developed, land locked, island states and vulnerable economies in view of their special economic situation and their development, trade and financial needs."

23 See Arts 3(e) and (g) of the *AfCFTA Agreement*. Also see the Preamble of the *AfCFTA Protocol on Trade in Services*, which provides in part that AU member states are determined "to establish a continental framework of principles and rules for trade

specifically refers to the promotion of "sustainable development in accordance with the Sustainable Development Goals (SDGs)"[24] as a key objective of the AfCFTA. Article 7(b) of the *AfCFTA Protocol on Trade in Services* then places emphasis on the express need to satisfy financial needs aimed at ensuring the implementation of the Protocol and promoting trade on the continent.[25] Trade financing is therefore pertinent to bridging the extant gap between the varying expectations of importers and exporters in so far as the specific time when payments have to be made. As such, credit insurance and credit will act as catalysts to trade, especially in Africa where SMEs currently face significant challenges in accessing trade finance as they do not have notable credit histories, lack credit guarantees and collateral for bank loans.[26] It is therefore unquestionable that for SMEs to effectively contribute to the AfCFTA agenda of economic growth and development,[27] trade financing must be made available to them.

SMEs account for a greater share of global[28] and indeed African trade.[29] SMEs in Africa may therefore encounter challenges around their creditworthiness as well as difficulties in accessing the knowledge and skills

in services with a view to boosting intra-African trade in line with the objectives of the AfCFTA and promoting economic growth and development within the continent." See also Art 3(2)(a)-(i) of the *AfCFTA Protocol on Trade in Services*.

24 Sustainable Development Goals (SDGs) are at the epicentre of developed and developing countries' attempts to eradicate poverty, improve health and education, reduce inequality, and most importantly advance economic growth. The SDGs are part of the United Nations *2030 Agenda for Sustainable Development*. There are seventeen SDGs as follows: SD1 (poverty eradication); SDG2 (zero hunger); SDG3 (good health and well-being); SDG4 (quality education); SDG5 (gender equality); SDG6 (clean water and sanitation); SDG7 (affordable and clean energy); SDG8 (decent work agenda); SDG9 (industry, innovation and infrastructure); SDG10 (reduced inequalities; SDG11 (sustainable cities and communities); SDG12 (responsible consumption and production); SDG13 (climate action); SDG14 (life below water); SDG15 (life on land); SDG16 (peace, justice and strong institutions, and SDG17 (Partnerships for the Goals).

25 Article 7(b) of the *AfCFTA Protocol on Trade in Services:* in order to ensure the beneficial participation in trade in services by all parties, State Parties shall "take into account the challenges that may be encountered by State Parties and grant flexibilities such as traditional periods, within the framework of action plans, on a case by case basis, to accommodate special economic situations and development, trade and financial needs in implementing this Protocol for the establishment of an integrated and liberalised single market for trade in services."

26 Allianz Trade date unknown https://www.allianz-trade.com/en_ZA/news-insights/business-insights/sme-export-sales-stregthened-by-trade-credit-insurance-a-case.html.

27 See Arts 3(e)-(g) of the *AfCFTA Agreement*.

28 WEF 2023 https://www.weforum.org/stories/2023/01/why-supporting-smes-is-critical-for-a-global-trade-stability-and-and-a-more-inclusive-economy/.

29 Quartey *et al* 2017 *Review of Development Finance* 18-28.

needed for managing trade finance instruments.[30] Further, access to trade finance requires a balancing act between efforts made by local and global banks.[31] However, with the economic shocks induced by the Covid-19 pandemic still lingering, global banks appear reluctant to go as far as lending credit to SMEs in Africa.[32] This implies that African states will have to adopt deliberate policy measures to ensure that local and development banks as well as the New Development Bank (NDB)[33] and the BRICS Bank offer lines of credit to SMEs.

The challenges relating to access to trade finance for SMEs in Africa are further compounded by the complex compliance standards set in trade financing.[34] Whilst it has generally been accepted that trade finance is the lifeline of trade, the increase in regulatory scrutiny poses challenges to SMEs.[35] There is therefore a need for SMEs to understand the extant regulatory regime concerning trade financing so as to minimise risks and ensure smooth financial transactions. It is pertinent in the context of this paper that an overview of some of the key compliance challenges likely to be encountered by SMEs in accessing trade finance be explored. The next section of the paper will point out some of the critical regulatory matters

30 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/. See also DTIC 2024 https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/.

31 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/. Also see DTIC 2024 https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/.

32 Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/. Also see DTIC 2024 https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/.

33 See Art 1 of the *Agreement on the New Development Bank* (NDB) (2014). The NDB, formerly known as the Brazil, Russia, India, China and South Africa (BRICS) Bank, was introduced as a vehicle to promote infrastructure and sustainable development initiatives in BRICS countries, in developing states such as those in Africa, and emerging economies. Art 1 of the *Agreement on the NDB* provides that, "The Bank shall mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, complementing the existing efforts of multilateral financial institutions for global growth and development. To fulfil its purpose, the Bank shall support public or private projects through loans, guarantees, equity participation and other financial instruments. It shall also cooperate with international organizations and other financial entities, and provide technical assistance for projects to be supported by the Bank."

34 London Stock Exchange Africa Advisory Group 2018 https://www.lseg.com/content/dam/lseg/en_us/documents/media-centre/africa-sme-financing.pdf.

35 WTO and IFC 2019 https://www.ifc.org/content/dam/ifc/doc/mgrt/trade-finance-compliance-2019.pdf.

which SMEs have to be aware of in order to be able to access trade financing.

2.1 The need to ensure ethical and lawful trade practices

Ethical and lawful trade practices are integral to ensuring that SMEs in Africa access the lines of credit[36] required to support their trade in pursuit of the general and specific objectives of the AfCFTA as set out in Articles 3 and 4 of the *AfCFTA Agreement*. SMEs in Africa must be prepared to navigate the intricate regulatory framework governing trade finance, which is complex and could potentially pose significant compliance-related challenges to SMEs. It is imperative for SMEs to be appraised of the compliance and regulatory environment governing trade financing in Africa. It is pertinent for SMEs to be appraised of the regulations relating to applicable trade agreements in the context of the AfCFTA, anti-money laundering laws and applicable sanctions. Most of the regulations focus on promoting transparency in financial transactions,[37] preventing financial crimes (i.e. fraud and money laundering),[38] as well as ensuring the stability and integrity[39] of the African and global financial systems. Once SMEs are able to comply with the applicable regulations, financial institutions such as banks are likely to agree to advance trade finance to them as their trading partners, and regulatory bodies will be in a position to trust them in ensuring a fair, efficient and secure trading environment.[40] It is important to briefly

36 World Jurisprudence 2024 https://worldjurisprudence.com/trade-law-and-ethics/.

37 See Art 3(3) of the *African Union Convention on Preventing and Combating Corruption* (2023).

38 The Financial Action Task Force (FATF) monitors any deficiencies in countries' anti-money laundering policy and regulatory frameworks. It has a grey list of countries which are deemed to be lacking in compliance with anti-money laundering (AML) regulatory standards. The FATF sets out procedures which must be complied with by customers of banks for transactions to be approved. These include Know Your Customer (KYC) and Business Verification (KYB). The KYB is the equivalent of the KYC though with a difference. The KYC focusses on identifying customers as a key component of customer due diligence whereas the KYB focusses not on verifying personal information but on the credentials of a business. For example, in the year 2022 South Africa had to update the AML regulations to the *Financial Intelligence Centre Act* 38 of 2001 (FICA) to avoid being grey-listed. This implies in principle that all African countries have to review and amend their AML compliance standards to comply with global standards. Such reform in AML will naturally impact on the SMEs' operations and ability to access trade finance. See in general Issah *et al* 2022 *Cogent Economics and Finance* 1.

39 See Arts 2(2), (3), and (5) of the *AU Convention on Preventing and Combating Corruption*.

40 See Arts 3(1)-(3) of the *AU Convention on Preventing and Combating Corruption*. See also Geetha 2021 *Journal of Emerging Technologies and Innovative Research* e305.

discuss some of the key national and international regulations that influence SMEs' ability to access trade financing.

2.1.1 The Basel III framework

The Basel III framework[41] affects SMEs' ability to access trade financing. It places emphasis on increasing liquidity at banks as well as the quality and quantity of capital.[42] This implies that financial institutions such as banks may place emphasis on strengthening their capitalisation and adjusting their balance sheets with a view to improving their short-term liquidity. Should banks achieve this objective, they are likely to secure stable funding. However, this can be achieved only through a reduction of the amount of credit given to SMEs, which are classified as a risky lending group.[43] Strict capital regulation requirements aimed at improving banks' capitalisation is likely to impact on SME financing. Factors that could further impact on the trade financing of SMEs include the level of financial inclusion of such SMEs. Considering that banks are the best parties to provide external finance, it is pertinent for the Basel III bank regulatory framework to create an enabling environment for boosting SMEs' financial stability and systematic resilience.[44] In principle, the Basel III framework arguably has a fairly adverse effect on SMEs' ability to access trade finance.

2.1.2 Other international standards

SMEs in Africa should also be fully cognisant of the International Chamber of Commerce (ICC) guidelines on accessing trade finance.[45] The ICC has two documents, the Uniform Customs and Practice for Documentary Credits[46] and the International Standby Practices,[47] which may guide SMEs in matters of ensuring reliability and consistency in the issuing and handling of credit and standby letters of credit. Emphasis in this paper will however not be placed on these additional standards but on key international and national regulatory standards relevant to trade financing on the continent.

---

41 See European Council date unknown https://www.consilium.europa.eu/en/policies/basel-iii.

42 See Part II.1 para 15 of the Basel III: International Regulatory Framework for Banks (BCBS 2010 https://www.bis.org/basel_framework/).

43 Wei, Lin and Cen 2024 *Emerging Markets Review*.

44 Fišera, Horváth and Melecký 2019 https://documents1.worldbank.org/curated/en/441951575300867782/pdf/Basel-III-Implementation-and-SME-Financing-Evidence-for-Emerging-Markets-and-Developing-Economies.pdf 1-58.

45 ICC 2021 https://iccwbo.org/news-publications/policies-reports/icc-standards-for-sustainable-trade-and-sustainable-trade-finance/#top.

46 ICC 2019 https://iccwbo.org/wp-content/uploads/sites/3/2019/06/icc-uniform-customs-practice-credits-v2-).pdf.

47 UN 2000 https://digitallibrary.un.org/record/413945?v=pdf.

2.1.3 National regulations

Each African country has regulations governing trade finance which are peculiar to that jurisdiction. There is no harmonised legal framework on trade financing in Africa. Each country has regulatory regimes enforcing economic and trade sanctions. For example, there are different financial regulatory standards extant in Algeria,[48] Cameroon,[49] Egypt,[50] Ghana,[51]

48 In Algeria, the Banque d'Algérie is the prudential regulator for the country and has the responsibility to establish the general framework under which Algeria's banks and financial institutions operate. Only 2% of the country's SMEs can access bank loans. However, SMEs are prominent in the private sector, where they constitute 99.98% of the actors. They have created over 2.6 million jobs in the country, yet few of them are able to access trade finance. See *Law No 16-09 on the Promotion of Investment*, 2016 and the *Finance Law* for 2017. Also see Hani and Gana 2017 *Journal of Contemporary Issues in Business and Government* 37.

49 The principal regulation is the *Central African Economic and Monetary Community Regulation on Exchange Control*, 2018. SMEs in Cameroon play a central role in the economy of Cameroon. SMEs in Cameroon represent more than 99.8% of the country's economy and also contribute 34% of the country's Gross Domestic Product. However, just like other SMEs on the continent, they face challenges in accessing trade finance. See Ngassa, Nongni and Kueda 2020 *International Journal of Economics and Management Studies* 74.

50 Egypt has a number of laws that regulate its financial sector. These include the *Capital Market Law* No 95/1992, the *Central Bank Law* No 88/2003, and the *Banking Regulations and Anti-Money Laundering Requirements Law* No 10/2009, which regulates the non-banking financial markets and instruments and the establishment of the Financial Regulatory Authority. In Egypt the European Bank for Reconstruction and Development has been actively supporting SMEs by financing them and has made as much as United States $25 million available in the area of trade facilitation, especially for women-owned SMEs. See Zgheib 2022 https://www.ebrd.com/news/2022/ebrd-boosts-sme-access-to-finance-in-egypt-.html.

51 Ghana has a number of laws regulating the financial sector, which include the B*ank of Ghana Act* 612 of 2002, the *Banks and Specialised Deposit-Taking Institutions Act* 930 of 2016, and the *Non-Bank Financial Institutions Act* 774 of 2008. The Bank of Ghana regulates banks, specialised deposit-taking institutions and other financial institutions. An estimated 72% of SMEs in Ghana could not access trade finance. See the World Bank 2019https://documents1.worldbank.org/curated/en/934351587974318392/pdf/Improving-Access-to-FInance-for-Ghanaian-SMEs-Role-for-a-New-DFI.pdf.

Ivory Coast,[52] Kenya,[53] Nigeria,[54] Tanzania,[55] South Africa,[56] Sudan,[57] regulatory standards extant Uganda,[58] Zambia[59] and Zimbabwe.[60]

52 The *Investment Code* (Presidential Ordinance 2018-646 + Decree 2018-647); *Regulation No 09/2010 on External Financial Relations*; *Ordinance 2009.385 on Banking Regulation*. Just like other countries, the Ivory Coast's SMEs have frequently faced challenges in trade financing.

53 Kenya's financial sector is regulated by the *Central Bank of Kenya Act*, 2015; *Bank Act*, 2015; *Microfinance Act*, 2006; *National Payment System Act*, 2011; and the *Kenya Deposit Insurance Act*, 2012. The Central Bank of Kenya is the primary regulator of financial institutions and promotes financial stability through regulation, supervision and licensing of all financial institutions under its mandate. In Kenya and Tanzania, the value of trade lost due to SMEs' lack of trade finance was estimated at US$ 49,672-00 per year. See Amoussou*etal*2023 https://www.afdb.org/en/documents/smes-demand-trade-finance-africa-case-kenya-and-tanzania-volume-14-issue-6 1.

54 The principal regulation impacting on trade finance in Nigeria is the *Banks and Other Financial Institutions Act*, 2004 and the *Central Bank of Nigeria (Establishment) Act*, 2007. There is also the *Nigeria Investment Promotion Commission Act*, 1995 which regulates investment practices in Nigeria and provides the appropriate rules that enable Nigerians to also participate wholly or in part in selected industries such as the oil and gas sector or telegraphy, amongst other sectors. The regulatory regimes nevertheless appear to focus more on foreign investors as well as large companies and not so much SMEs. In Nigeria SMEs are acknowledged as being central to realising sustainable development in the country, but they remain underfunded. See Nwosu and Ochu 2017 *Journal of Economics and Sustainable Development* 178.

55 The financial services sector of Tanzania is regulated by the *Banking and Financial Institutions Act*, 2006 and the *Bank of Tanzania Act*, 2006. The Bank of Tanzania regulates banks and financial institutions in the country. However, SMEs in Tanzania struggle to access trade finance. See Amoussou *et al* 2023 https://www.afdb.org/en/documents/smes-demand-trade-finance-africa-case-kenya-and-tanzania-volume-14-issue-6 1-7.

56 South Africa has a raft of laws which regulate the financial sector. Such laws include the *Financial Sector Regulation Act* 9 of 2017, *Financial Markets Act* 19 of 2012, *Banks Act* 94 of 1990, *Financial Advisory and Intermediary Services Act* 37 of 2002, FICA, *Collective Investment Schemes Control Act* 45 of 2002, *Insurance Act* 18 of 2017, and the *Pensions Funds Act* 24 of 1956. More significantly, South Africa adopted the Twin-peaks model of financial regulation where the South African Reserve Bank is the prudential regulator with the duty of ensuring a sound financial system in the country whilst the Financial Sector Conduct Authority has the responsibility of ensuring the regulation of the financial services sector in the country. In South Africa, SMEs are also considered as important to the country's economy. However, there is a notable problem that goes beyond debt finance and extends to an inadequate product range and the cost of debt finance provided to SMEs by financial institutions. This development presents a barrier to SMEs' ability to access financial services. See Falkena *et al* 2019 https://smallbusinessinstitute.co.za/wp-content/uploads/2019/12/Access-to-finance-in-South-Africa-A-Supply-Side-Regulatory-Review.pdf.

57 In Sudan, the financial services sector is regulated by the *Central Bank of Sudan Law*, 2002, *Banking Business Law*, 2004, *Money Laundering Law*, 2014, *Companies Law*, 2015, the *National Investment Law*, 2013, the *Stock Exchange Market Law*, 2016, and the *Capital Market Regulatory Authority Law*, 2016. See Eltahir 2018 *International Journal of Small Business and Entrepreneurship* 14.

58 The laws governing the financial services sector in Uganda include the *Uganda Securities Exchange Limited Rules*, 2003, *Bank of Uganda Acts*, 1969 and 2000,

In other jurisdictions beyond Africa, the United States of America has the Office of Foreign Assets Control regulations, which stipulate the penalties for and legal consequences of non-compliance with the regulations governing trade finance.[61] The European Union (EU) has the Anti-Money Laundering Directive (AMLD), which places an obligation on financial institutions to implement forceful anti-money laundering measures.[62] Clause 4 of the AMLD seeks to prevent money laundering and terrorist financing in trade transactions.[63]

It is pertinent to note that trade finance regulations place a responsibility on SMEs to comply with a number of legal and regulatory requirements, which evidently vary from one African jurisdiction to another. For SMEs to comply with the legal and regulatory requirements on trade financing, there will be a need to ensure that they scrupulously document their financial dealings, practice due diligence in their businesses, conduct regular audits, and meet the standards set by the regulatory bodies. To the extent that SMEs in Africa fail to comply with the set legal standards, they will face stern financial

---

and the *Financial Institutions Act*, 2004. See Turyahikayo 2015 *International Journal of Public Administration and Management Research* 21.

59 The financial services sector in Zambia is regulated by the *Banking and Financial Services Act* 7 of 2017, *Securities Act* 41 of 2016, and the *Bank of Zambia Act* 43 of 1996 and the *Public Finance Act* 1 of 2018. The main regulator of the financial services sector is the Bank of Zambia, which derives its powers from the *Bank of Zambia Act* 43 of 1996, the *Bank of Zambia Act* 5 of 2022, and the *Banking and Financial Services Act* 7 of 2017. See Kawimbe 2024 *American Research Journal of Humanities and Social Science* 39.

60 The financial services sector is regulated by the *Zimbabwe Investment Authority Act* [Chapter 14:30], the *Banking Act* [Chapter 24:20], the *Exchange Control Act* [Chapter 22:05], and the *Companies Act* [Chapter 24:03]. See Chikwereti, Foya and Muyeche 2022 *Journal of Advanced Research* 768.

61 See 31 CFR 500 – *Foreign Assets Control Regulations* AE 2.106/3:31/, 1 July 2004.

62 See *Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the Prevention of the Use of the Financial System for the Purposes of Money Laundering or Terrorist Financing* OJ L 141 (2015) 73 (*EU Directive 2015/849*).

63 Clause 4 of the *EU Directive 2015/849* provides that, "Money laundering and terrorist financing are frequently carried out in an international context. Measures adopted solely at national or even at Union level, without taking into account international coordination and cooperation, would have very limited effect. The measures adopted by the Union in that field should therefore be compatible with, and at least as stringent as, other actions undertaken in international fora. Union action should continue to take particular account of the Financial Action Task Force (FATF) Recommendations and instruments of other international bodies active in the fight against money laundering and terrorist financing. With a view to reinforcing the efficacy of the fight against money laundering and terrorist financing, the relevant Union legal acts should, where appropriate, be aligned with the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation adopted by the FATF in February 2012 (the 'revised FATF Recommendations')."

penalties, dire legal ramifications, and subsequent reputational damage which will lead to the disruption of their business and the eroding of stakeholder trust.

2.2 Know your customer

Know your customer (KYC) standards have emerged as one of the most contentious requirements to be complied with by banks as financial institutions.[64] The KYC, whilst arguably well intended, is significantly disruptive and somewhat intrusive, as it requires financial institutions to collect, verify and update customer information (i.e. identity documents as well as licences) before any financial transaction can be approved.[65] The KYC was introduced to prevent money laundering and fraud.[66] This implies that financial institutions would have to regularly monitor and update customers' information in order to be KYC-compliant. Most SMEs may not want to maintain bank accounts as the KYC requirements are highly disruptive and somewhat frustrating to businesses.

The KYC process is often characterised by rapidly evolving regulations, which makes compliance difficult. The fact that the KYC regulations vary across jurisdictions renders consistent compliance with them difficult.[67] To the extent that a financial institution considers that a customer has become non-compliant with the regulatory standards, the bank activities pertaining to that customer will be suspended until such a time as or when compliance has been demonstrated. This is highly disruptive to the smooth flow of business, though it has the advantage of potentially curbing financial crime, if it does so at all. For SMEs, and perhaps for other banking customers, the

---

64 For example, the FICA was introduced to fight crimes like fraud and money laundering. Other pieces of legislation which are of significance include the Namibian *Prevention of Organised Crime* Act 29 of 2004, the South African *Prevention of Organised Crime* Act 121 of 1998, Botswana's *Proceeds of Serious Crime* Act 19 of 1990; Kenya's *Prevention of Organised Crimes* Act 5 of 2010, Swaziland's *Serious Offences* (*Confiscation of Proceeds*) Act 8 of 2001, and Tanzania's *Proceeds of Crime* Act 25 of 1991. See also *Shalli v The Attorney-General* (POCA 9/2011) [2013] NAHCMD 5 (16 January 2013); *Prosecutor-General v Uuyini* (SA 20/2013) [2015] NASC 13 (2 July 2015); and *Prosecutor-General v Kangandjo* (HC-MD-CIV-MOT-POCA 299 of 2018) [2020] NAHCMD 67 (27 February 2020).

65 Morey 2024 https://disquantified.org/7-challenges-in-the-kyc-journey-insights-for-financial-institutions/.

66 KYC as a concept was introduced through the US Securities Exchange Commission as part of the *Securities Act* of 1933. The idea implicit in adopting this piece of legislation was to protect investors from fraudulent securities activities. The KYC concept was then reinforced through *US Patriot Act* of 2001. Through the *Patriot Act*, all banks had to adhere to KYC as a means of combatting terrorism financing and money laundering.

67 Kycaid 2025 https://kycaid.com/blog/a-guide-to-global-kyc-regulations-key-differences-by-region/.

KYC standards are theoretically good but practically and/or operationally terrible, a development which may frustrate trade in the near future. The ability of banks to unilaterally freeze accounts due to non-compliance with KYC standards without prior notification directly infringes upon consumer rights and hinders business operations.[68]

SMEs are currently facing the consequences of arbitrary bank decisions that result in accounts being frozen, in violation of the *audi alteram partem* rule. For example, a small business in South Africa had its accounts unjustly closed due to an alleged oversight by the First National Bank (FNB) when it failed to update the business's client profile after the bank had been furnished with the requested information via e-mail. FNB had requested documents in terms of sections 21 and 22 of the *Financial Intelligence Centre Act* (FICA),[69] which the small business in question furnished via email. The FNB employee who received the FICA documents did not act on the email, leading to the business's accounts being frozen. The effect of the closure of the accounts was that the small business failed to pay its suppliers on time, had debit orders returned, and monies due to the business could not be received.[70] It is therefore important that banks review their practices around enforcing KYC standards as they undermine the best interest of clients and small businesses. The next section discusses the need for SMEs to be aware of the procedures relating to financial institutions' oversight role with respect to money-laundering and fraud detection.

2.3 Money-laundering and fraud detection

Anti-money laundering and fraud detection regulations place an obligation on financial institutions to adopt and implement measures that detect and prohibit the occurrence of money-laundering and fraud.[71] This implies that

---

68 Some banks In Southern Africa, particularly First National Bank, have been accused of arbitrarily blocking customers' accounts without prior notice. While such an approach may be appropriate when persuasive proof or a compelling case is provided of a perceived or actual breach of fiscal and banking rules, the willful decision to freeze accounts without substantive cause should be considered a violation of consumer rights. If done in a trade context, such a practice would constitute a trade barrier premised on infringing on the ease of doing business.

69 See in particular ss 21 and 22 of the FICA, which require businesses to keep records of the identity of their clients and transactions record.

70 See Hellopeter 2025 https://www.hellopeter.com/first-national-bank/reviews/fnb-freezes-bank-accounts-when-they-are-at-fault-5522707.

71 Issah *et al* 2022 *Cogent Economics and Finance*. See *TSS v First National Bank of SA Limited ta FNB* (2025/025087) [2025] ZAGPJHC 713 (8 March 2025) para 1; *Qongani Moyo v Standard Bank of South Africa* (HC - Gauteng Division) (unreported) case number 2277/2020 para 2; *Pinto v First National Bank of Namibia Ltd* (98 of 2011) [2012] NAHC 285 (31 October 2012) paras 1-8; and *Mbebe v First National Bank Limited* (1336/2020) [2020] ZAECMHC 30 (21 July 2020) para 1.

financial institutions will have to monitor SMEs' transactions for suspicious activities and report the same to the responsible authorities.[72] Financial institutions in Africa thus must develop and implement policies and procedures on anti-money laundering and fraud detection which must be implemented by the banks' staff and be accompanied by independent audits to ensure compliance with the trade finance regulations.[73]

Financial institutions have also started using artificial intelligence (AI) technology to conduct anti-money laundering checks and verify documents, as well as sanctions screening.[74] As AI technology reduces human error and ensures accuracy in compliance, there will be a need for SMEs in Africa to have a higher threshold of compliance in order to access trade finance.[75]

It will therefore be pertinent for SMEs to invest in training their personnel in matters pertaining to compliance to ensure that they are kept abreast of the rapidly changing regulatory requirements and compliance standards prompted by rapid changes to AI technology. This costly exercise will imply that SMEs train their personnel in matters relating to fraud detection, sanctions compliance and ensuring the competent handling of trade finance instruments. This would ensure that SMEs' personnel were able to detect potential risks and keep the SME's operations in line with the trade finance regulations. Further, SMEs will also need to work in partnership with trade finance providers and banks to circumvent the intricate trade finance regulatory environment. This would help SMEs to realise their trade needs through optimising operations and minimising risks.

3 Banks as well-leveraged financial institutions

Financial institutions such as banks can leverage SMEs in Africa to ensure consistency and effectiveness in trade in the framework of the AfCFTA. This is attributed to the fact that banks can adopt practical measures aimed at improving operational deficiencies concerning SMEs' access to trade financing. This could lead to robust value-addition to banks' financial intermediation role in ensuring that SMEs access trade finance. In the context of the *AfCFTA Protocol on Trade in Services*' objective to realise sustainable development[76] and enlarge the place of SMEs in intra-Africa and multilateral trade, banks could assist in addressing challenges that may lead to SMEs failing to access trade finance.[77] The issues which banks

72 Karsaclian *et al* 2025 https://blogs.worldbank.org/en/opendata/can-economies-strengthen-financial-integrity-without-restricting.
73 Okpeke and Iyelolu 2024 *GSC Advanced Research and Reviews* 336.
74 Han *et al* 2020 *Digital Finance* 211.
75 Wang 2016 *Borsa Istanbul Review* 167.
76 See Art 3(2)(b) of the *AfCFTA Protocol on Trade in Services*.
77 Guruwo 2018 *International Journal of Innovative Research and Development* 90.

could assist SMEs with include addressing the inadequacies in extant supervisory policies in areas such as restrictions on capital standards and insider activities.[78] Other issues which banks could assist SMEs to address include incompetent credit risk management, and inept credit decisions.[79]

However, considering that political influence and government decisions tend to influence the weaknesses characteristic of SMEs concerning trade financing, there is a need for a holistic assessment of how to address the trade financing challenges of SMEs. Politics and government decisions in Africa affect credit allocations, a development which is problematic as the operations of market-based economies are driven by access to credit.[80] SMEs in Africa could leverage their business operations through access to trade finance in order to facilitate investments in capital and income-generating assets to promote trade on the continent. Such economically viable initiatives could translate into sustainable and efficient production and operational models for SMEs.

On their part, banks operating in Africa could comply with the trade financing standards set in the Basel III framework if they were to adopt reasonable monitoring measures geared towards leveraging their business models, which should include financing SMEs.[81] As such, banks operating in Africa should persistently assess their fitness and propriety, risk management, internal controls and audit as well as their behavioural standards of governance.

One bank that has reasonably complied with the Basel III framework is the Afreximbank. The Afreximbank is expected to play a significant role in financing SMEs for trade purposes.[82] The Afreximbank is a key supporter of the AfCFTA and aims at financing and promoting intra-African and extra-African trade.[83] Further, the Afreximbank aims at accelerating

78 OECD 2024 https://doi.org/10.1787/b3fe3647-en.

79 Naidoo 2021 https://www.softwaregroup.com/insights/blog/article/access-to-finance-for-smes-in-africa---how-can-banks-turn-this-challenge-inot-an-opportunity.

80 Bojang 2017 *International Journal of Inspiration Resilience and Youth Economy* 41.

81 See clauses 17(c) and 27 of the *Basel III: International Regulatory Framework for Banks*.

82 As part of its mandate to support SMEs through trade financing, Afreximbank has implemented programmes such as the Export SME Development Programme, factoring for SMEs, the Regional Export Readiness Programme, the Pan-African Payment and Settlement System, the Interstate Transit Guarantee Scheme, and the MANSA Due Diligence Platform. All of these measures are designed to ensure that SMEs have access to trade financing, to lower barriers to cross-border commerce, and to manage compliance and risk when accessing trade finance.

83 Afreximbank has signed a Framework Cooperation Agreement with the AfCFTA Secretariat. The AfCFTA Secretariat is the principal organisation responsible for driving the implementation of the AfCFTA Agreement, with Afreximbank as a key collaborating partner on a wide range of implementing activities, including PAPSS.

industrialisation and boosting economic expansion on the African continent. The Afreximbank's Export SME Development Programme assists SMEs by, among other things, financing their operations in order to foster regional integration through increased cross-border trade while also focussing on trade in value addition in the goods they trade in.[84] However, the Afreximbank cannot finance all the SMEs in the African continent. More banks need to become active in financing SMEs for trade purposes. Therefore, the next section of this paper discusses the challenges still being faced by SMEs in the area of trade financing.

4 Intrinsic challenges facing SMEs' quest for trade financing in Africa

SMEs in Africa have often faced inherent challenges in accessing trade finance. The African Union is cognisant of this reality and has thus set in motion plans to introduce an AfCFTA SME Financing Facility.[85] The idea implicit in this approach is to establish a trade financing mechanism for SMEs to the tune of US$ 100 billion.[86] This facility will eventually involve all commercial banks on the African continent and it seeks to ensure that women and children participate in growing trade and economic development in Africa.[87] The trade financing mechanism will be accompanied by the Pan-African Payment Settlement System (PAPSS),[88] which is already in place, to ensure ease in settling cross-border payments, unlike the traditional KYC approach used by commercial banks. An AfCFTA App will also be introduced to enable business expansion and reaching out to new customers.[89] On the AfCFTA App, SMEs are likely to access new markets in different parts of the African continent, in the process reducing the trade and investment barriers on the continent.

84 Afreximbank 2023 https://www.smefinanceforum.org/sites/default/files/Afrexim_Export%20SME%20DEVELOPMENT%20PROGRAMME.pdf.

85 See Art 27(2)(d) of the *AfCFTA Protocol on Trade in Services*.

86 African Capacity Building Foundation 2021 https://www.acbf-pact.org/media/press-release/boosting-trade-finance-support-afcfta-acbf-calls-promotion-and-adoption-model.

87 African Development Bank Group 2024 https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-extend-facilities-worth-200-million-and-zar-36-billion-standard-bank.

88 Usman and Csanadi 2022 https://carnegieendowment.org/posts/2022/02/latest-milestone-for-the-african-continental-free-trade-area-the-pan-african-payment-and-settlement-system?lang=en.

89 Kariuki 2021 https://www.businessdailyafrica.com/bd/coporate/technology/platform-smes-a-boost-in-africa-trade-3263418.

The PAPSS provides SMEs with improved working capital through payment certainty as well as faster transactions.[90] It ensures instant if not near instant cross-border payments without SMEs having to battle with issues around currency conversion.[91] The PAPSS also affords SMEs different payment facilitation options through the use of a network of financial intermediaries.[92] This has the effect of realising the following objectives: 1) enhancing financial inclusion opportunities for SMEs and improving economic growth for the continent through intra-African trade; 2) minimising the pressure on current accounts and demands for foreign exchange liquidity; and 3) increasing the transparency of cross-border trade activities and ensuring the better monitoring of cross-border transactions as well as the increased opportunity to generate revenue.[93] However, whilst the PAPSS reduces the transactional costs associated with currency conversion in particular, converting from one local currency to the United States dollar (USD) and subsequently another local currency does not exhaustively address the challenges associated with access to trade finance. The next section of the paper will, amongst other issues, discuss the challenges associated with trade financing for SMEs in Africa. It starts by pointing to the inherent challenges faced with respect to the PAPSS as a vehicle for facilitating payment settlement for intra-Africa trade transactions.

4.1 Limitations to the PAPSS

Whilst it is a noble initiative aimed at easing cross-border payments for SMEs, amongst others, the PAPSS faces a number of challenges. Such challenges include African governments' reluctance to entirely adopt the PAPSS, as it may require them to surrender their control over their monetary policies.[94] Central banks, which are supposed to be key role players in ensuring SMEs access to trade finance, are hesitant to integrate their systems with the PAPSS on the assumption that this will limit their ability to manage currency volatility and inflation.[95] Whilst the PAPSS is considered as a vehicle for increasing trade efficiency, central banks are not keen on

90 Gaviyau 2024 https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/.

91 Gaviyau 2024 https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/.

92 Gaviyau 2024 https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/.

93 Gaviyau 2024 https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/. Also see in general Yap, Lee and Liew 2023 *Economic Research*.

94 Ogbalu 2024 https://www.ippmedia.com/the-guardian/business/read/african-banks-urged-to-adopt-pan-african-payment-system-2024-05-15-155455.

95 Ogbalu 2024 https://www.ippmedia.com/the-guardian/business/read/african-banks-urged-to-adopt-pan-african-payment-system-2024-05-15-155455.

relinquishing control of their financial systems.[96] Further, there is no harmonisation of regulatory regimes on financial regulation, data privacy laws and security standards.

Another challenge associated with the PAPSS is that of business preferences and currency volatility.[97] Most African countries are deemed unstable and thus not ideal for its use in conducting trade. There are evident inflation-related challenges associated with local currencies in Africa, which heightens businesses' reluctance to adopt the PAPSS for cross-border payments.[98] Financial institutions and business thus prefer to use the USD and the euro (the so-called hard currencies) as they are globally accepted and have minimal risks associated with currency fluctuations and exchange rate volatility.[99] This implies that the PAPSS, to the extent that it is associated with the use of local currencies and the related exchange volatilities, is regarded as having the potential to adversely impact on businesses' profit margins. Without appropriate mechanisms for currency-hedging, uncertainty around the viability of the PAPSS will remain. This makes it significantly unreasonable to adopt the PAPSS for SMEs, which are often characterised as being vulnerable to exchange rate fluctuations and currency risks.

Africa also lacks harmonised payment systems and robust digital banking systems.[100] Countries in Africa have fragmented financial networks which are difficult to consolidate.[101] The extant infrastructure and technological gaps thus need a robust digital infrastructure which is uniformly distributed across the entire African continent. With the exception of Kenya and South Africa, most African countries are significantly challenged when it comes to digital literacy, internet access as well as penetration, and financial inclusion.[102] This implies that SMEs in countries where there is a weak digital infrastructure would find it difficult to implement the PAPSS.

---

96 Ogbalu 2024 https://www.ippmedia.com/the-guardian/business/read/african-banks-urged-to-adopt-pan-african-payment-system-2024-05-15-155455. Also see Osabutey and Jackson 2024 *Technological Forecasting and Social Change*.

97 Ghenna and Badu-Aboagye 2025 https://www.globalafricanetwork.com/company-news/ensuring-the-success-of-papss-overcoming-challenges-for-a-united-african-payment-system/.

98 Kubota and Calderon 2024 https://blogs.worldbank.org/en/africacan/currencies-and-inflation-across-sub-saharan-africa-in-2024-divergent-experiences-afe-1124. See also Nach and Ncwadi 2024 *South African Journal of International Affairs* 152.

99 Avdjiev *et al* 2019 *IMF Economic Review* 151.

100 Digital Frontiers Institute 2024 https://digitalfrontiersinstitute.org/regulatory-harmonisation-for-iips-in-africa-challenges-and-opportunities.

101 Bhattacharya, Inekwe and Valenzuela 2018 *Economic Modelling* 379.

102 Osabutey and Jackson 2024 *Technological Forecasting and Social Change*. Also see Masters 2021 *South African Journal of International Affairs* 361.

As a cross-border digital payment system the PAPSS is likely to be vulnerable to cyber attacks.[103] Financial systems that are reliant on digital technology are vulnerable to cyber attacks and are thus exposed to cyber risks. With SMEs not likely to invest heavily in ensuring adequate security measures to curb cyber attacks due to the high costs involved, the PAPSS is likely to be subjected to data breaches, disruptions that erode trust in the system, and fraud. For the PAPSS to be of significance in alleviating SMEs' trade financing and cross-border payment concerns, there is an evident need to significantly improve on African technology integration and infrastructure development.[104] There is also a need to adopt a common virtual African currency which is not dependent on foreign exchange and is aimed at facilitating cross-border payments.[105] The idea implicit in the adoption of the digital currency is to ensure continental currency integration. However, the practicality of this in an era informed by the New World Order fiscal policy agenda which also aims at introducing a common global digital currency and a centralised banking and monetary system renders the introduction of a common virtual African currency a utopian dream. Theoretically it sounds plausible, but it is practically improbable.

For the PAPSS to be effective in the context of the AfCFTA, there is a need to also enhance data governance and cybersecurity on the continent.[106] There is a need for African countries to adopt strong data-governance frameworks as well as cybersecurity protocols aimed at safeguarding PAPSS operations. Through adopting international best practices on cybersecurity and data protection such as the *General Data Protection Regulations*,[107] businesses, including SMEs and banks, could easily use the PAPSS. Other mechanisms that could be adopted to encourage the use of the PAPSS include conducting awareness campaigns and providing

---

103 Ghenna and Badu-Aboagye 2025 https://www.globalafricanetwork.com/company-news/ensuring-the-success-of-papss-overcoming-challenges-for-a-united-african-payment-system/. Also see Akanmu 2023 https://www.premiumtimesng.com/opnion/587640-papss-minimising-bottlenecks-and-barriers-to-inter-africa-trade-by-olu-akanmu.html?tztc=1.

104 Aboagye 2025 https://www.ghanaweb.com/GhanaHomePage/business/PAPSS-Unlocking-the-potential-of-Africa-s-cross-border-payment-system-1969645.

105 WEF 2025 https://www.weforum.org/stories/2025/03/how-a-common-currency-union-called-the-ecozone-could-help-west-africa-reach-net-zero/.

106 Mobile Ecosystem Forum 2025 https://mobileecosystemforum.com/2025/02/19/pan-african-payment-and-settlement-system-papss-the-revolution-of-cross-border-payments-in-africa/.

107 See for example Art 5(1)(f) of the *Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the Protection of Natural Persons with Regard to the Processing of Personal Data and on the Free Movement of Such Data (General Data Protection Regulation)* OJ L 119 (2016) 1.

education on the benefits of using the PAPSS, especially amongst SMEs.[108] There may also be a need to incentivise the use of local currencies to conduct trade and effect cross-border payments. However, this will be heavily dependent on African governments' ability to adopt currency-hedging mechanisms aimed at protecting businesses from risks associated with currency fluctuations. This may make the use of local currencies in cross-border transactions viable for businesses and SMEs in particular. Lastly, there may be a need for the PAPSS and African governments to work together with industry stakeholders, SMEs, financial technology companies, and financial institutions to quicken the adoption of the PAPSS.[109] To achieve this objective, public-private partnerships can be utilised as an instrument for integrating trade finance, ensuring peer-to-peer finance services and mobile banking in order to address African businesses' direct interests in trade financing and payment settlements.

4.2 Bank failures

The ability of banks in Africa to assist SMEs to access trade finance is likely to be impacted by the evident trend toward bank closures on the continent.[110] Whilst bank closures are not new in Africa, there is a recent trend toward systematic bank failures leading to economic losses on the continent. Such bank closures have been attributed to the hostile economic conditions prevailing on the continent due to the global economic meltdown and the post-pandemic effects of Covid-19.

Bank failures have also been attributed to non-performing loans, regulatory failure, political interference in banks' operations, fraudulent and corrupt conduct by officials, abysmal corporate governance practices, disingenuous management practices and disreputable risk management.[111] At the centre of the factors that cause bank closures are issues relating to state ownership and the persistent currency crises on the continent. Whilst banks have at their disposal requisite mechanisms such as bailouts, mergers, acquisition, and liquidity support to avert bank failures, there is a need to reinforce their capacity in areas of monitoring and supervision as well as giving due regard to the regulatory reforms aimed at anticipating risks.[112] In

---

108 Ogbalu 2022 https://thepaypers.com/interviews/the-pan-african-payments-and-settlement-system-papss-challenges-milestones-and-the-current-state-of-affairs--1257399.

109 Everington 2024 https://www.thebanker.com/content/9cd65e99-2065-5009-a2ca-32fa3aded9d.

110 Borerwe 2021 https://www.theafricareport.com/151540/africa-expanding-access-to-trade-finance-is-necessary-for-smes/. Also see Brixiova, Kangoye and Yogo 2020 *Structural Change and Economic Dynamics* 177; Quartey *et al* 2017 *Review of Development Finance* 18.

111 Abidi *et al Why Do Banks Fail* 27.

112 Abidi *et al Why Do Banks Fail* 27.

this regard one can refer to the developments around the Twin Peaks model as a key mechanism of financial regulation aimed at safeguarding financial institutions from insolvency or protecting the public from misconduct by financial institutions.

The Twin Peaks model was essentially introduced as a mechanism to reform financial institutions' regulatory and supervisory systems.[113] In principle it offers a robust prudential and market conduct supervision model with a view to curbing the occurrence of systematic financial risks for financial institutions. The Twin Peaks model is a departure from the fragmented regulatory approach to a system that avoids regulatory arbitrage.[114] However, not all countries in Africa use the Twin Peaks model. Therefore it is not surprising that there are still challenges relating to African banks' effectiveness in trade financing, as the failure of financial institutions is a recurring reality. The judicial system thus has to adjudicate debt recovery cases instead.

4.3 Lack of harmonisation of bank regulation in Africa

Since the inception of the AfCFTA, plans have been put in place to ensure the harmonisation of competition policies, consumer protections laws, data handling regulations, as well as intellectual property and digital trade. However, there is yet to be any notable movements towards banking sector harmonisation in Africa to give effect to trade financing in the context of the AfCFTA.[115] Instead, there have been calls by the African Export-Import Bank (AfreximBank) to establish a model law on factoring as an alternative to trade financing for SMEs in Africa. The AfreximBank considers factoring as a viable option to trade financing for SMEs in Africa.[116] This comes from the understanding that SMEs' operations in Africa have been curtailed by lack of access to finance. As such, to advance SMEs' operations and the AfCFTA, there is a need for sustainable trade finance which could come in the form of factoring. The AfreximBank prefers factoring as it is not a loan

113 Godwin 2017 *LFMR* 151.

114 For example, the Prudential Authority and the Financial Sector Conduct Authority were introduced in South Africa in 2018 to play an oversight role with respect to banks and other financial role-players. See the *Financial Sector Regulation Act* 9 of 2017.

115 To date, it is only the East African Community that is working to create common regulations for cross-border digital payment and banking regulations. The Southern Africa Development Community (SADC) also has a *Protocol on Finance and Investment* which "seeks to foster harmonisation of the financial investment policies of the State Parties in order to make them consistent with objectives of SADC and ensure that any changes to financial and investment policies in one State Party do not necessitate undesirable adjustments in other State Parties."

116 Awani 2020 https://www.afreximbank.com/afcta-afreximbank-supports-factoring-as-a-viable-alternative-source-of-finance-for-smes/.

but a facilitator to business. It remains to be seen if the model law on factoring will be adopted in Africa as intended.

The Southern Africa Development Community (SADC) *Protocol on Finance and Investment* of 2006 appears to offer a credible basis from which to advance the argument on financing by banks for investment purposes. Articles 2(a)-(b) and (d)-(f) of the *SADC Protocol on Finance and Investment* place emphasis on facilitating regional integration, co-operation and co-ordination with finance and investment sectors with a view to enhancing

> trade in the region to achieve sustainable economic development and growth and eradication of poverty by:
>
> a) creating a favourable investment climate within SADC with the aim of promoting and attracting investment in the Region;
>
> b) achieving and maintaining macroeconomic stability and convergence within the Region;
>
> c) .....
>
> d) Co-operating and co-ordinating amongst State Parties in collaboration with Central Banks on exchange policies;
>
> e) Establishing principles which will facilitate the creation of a coherent and convergent status in the legal and operational frameworks of Central Banks;
>
> f) Establishing a framework for co-operation and co-ordination between (amongst) Central Banks on payment, clearing and settlements systems;
>
> g) .....

It is evident from the *SADC Protocol on Finance and Investment* that there is a need for an AfCFTA Protocol to deal with trade financing and not just investment, as is currently the case.[117] The absence of a centralised financial system to deal with credit applications by SMEs is a challenge. The AfCFTA therefore needs to adopt a protocol and/or financial regulations that would increase access to capital for SMEs and other categories of investors on the continent. The AfCFTA financial regulations are also likely to assist in ensuring the ease of the movement of capital on the continent, unlike the challenges associated with the use of the KYC, which has raised so many concerns in so far as the cross-border movement of capital is concerned. The regime is counter friendly and evidently modelled to serve the interests of institutions and not clients. Accounts are suspended for flimsy reasons

117 Article 39(4) of the *AfCFTA Protocol on Finance and Investment* provides that "State Parties shall put in place measures enhancing transparency in financial reporting, disclosure, accounting, and audit practices in support of the requirements of this Article, in accordance with domestic laws, regulations and applicable international standards and obligations."

and transactions of even small amounts take too long to clear. The AfCFTA must adopt a mechanism that is efficient and sensitive to the needs of SMEs to ensure the speedy conclusion of financial transactions in order to promote trade growth through SMEs.

5 Trade financing and the poor credit culture of African businesses

One of the most notable challenges associated with extending lines of credit to SMEs is that African businesses have often been associated with a poor credit culture.[118] Documents submitted in the course of applying for credit have often not met the set requirements. This implies that there is a need to educate SMEs on the requisite principles informing a smooth credit application process which ensures that there are minimal rejections by banks. Where credit has been approved and extended to businesses, some have often defaulted for no apparent reason. Financial institutions then struggle to recover the loans advanced.[119] Business assets have to be used to generate the money needed to service the debt owed to the financial institutions. However, the value of the assets may not always be adequate to service the debt, hence leading to a debt-servicing-ability gap.[120] Further, selling business assets to settle debts leads to the interests of equity holders being written off. Therefore it would be pertinent to ensure that the AfCFTA comes up with a trade financing mechanism that is sensitive to the risks associated with lending to SMEs as businesses. The AfCFTA must come up with risk mitigation factors in the regulatory framework for trade financing in Africa. This is likely to maximise the benefits to be realised from the AfCFTA.

6 African central banks and the trade financing of SMEs

For trade financing to materialise within the context of the AfCFTA, financial institutions on the continent must be in a position to assume more risk through awarding more loans to SMEs and other businesses.[121] This implies that there is a need to adopt measures to ensure banks' liquidity through gearing ratio requirements or minimum capital and leveraging review.[122] This would enable banks to have adequate finances to meet the demand for trade finance emanating from SMEs. There is a need to ensure that there are safety mechanisms aimed at protecting banks against macroeconomic

118 Msomi and Olarewaju 2021 *African Journal of Inter/Multidisciplinary Studies* 103.
119 See Cole and Sokolyk 2016 *Journal of Financial Stability* 40. Also see Osei-Tutu and Weill 2022 *Economic Systems*.
120 Choi, Kwon and Lobo 2000 *Journal of Business Research* 35.
121 Samunderu *Economic Effects of Air Transport Market Liberalisation* 641.
122 Ananou *et al* 2021 *Journal of Corporate Finance*.

shocks which could lead to loan defaults, increases in capital flows, exchange rates and interest rates, and inflation.[123] If there are no well-formulated safety nets, banks will be exposed to risk-taking, which will translate into banking and broader economic framework instability. It is therefore imperative that central banks in Africa review their regulatory measures with respect to funding large exposures, bank capital, liquidity and leverage. Should the regulatory measures be adopted, there is a likelihood that trade financing SMEs to run their businesses in the context of the AfCFTA will become a reality.

7 Recommendations

To ensure that there are sufficient funds are made available for financing SMEs' trade endeavours in the AfCFTA context, several recommendations are proposed as follows:

a) A protocol on trade financing must be adopted by the AfCFTA through its secretariat. It is not ideal that a salient matter like trade financing is dealt with from a silo-based approach by trade regions or specific countries. There is a need to harmonise the banking and monetary systems to ensure effective trade financing for SMEs.

b) There is a need to adopt regulatory measures aimed at mitigating the risks associated with banks approving capital for trade financing.

c) There is a need to conduct further research on banks' ability develop financial products such as fostering, which are aimed at ensuring SMEs' access to trade finance. This must be associated with the adoption of an appropriate risk monitoring system aimed at curbing the incidence of defaulting on payments by SMEs.

d) Digital banking and the integration of banking systems in Africa must take place to ensure that trade financing on the continent is structured with a view to de-risking banking institutions' operational environments. Financial institutions must improve their relationships with SMEs as businesses in order to be able to take opportunities for sustainable business growth and employment creation through trade financing.

e) There is a need to ensure that there are common monetary system and financial data integration systems in Africa. This is likely to ensure that banks in Africa can collaborate on matters pertaining to financing SMEs for trade purposes. The entire AfCFTA must have a centralised

123 Beqiraj *et al* 2025 *Journal of International Economics*.

banking system aimed at making SMEs' trade operations relatively easy.

8 Conclusion

The AfCFTA provides numerous opportunities for SMEs to grow and drive economic growth on the continent. However, this is practical only if SMEs have access to trade financing. There is a need to establish mechanisms for optimal leveraging of SMEs trade financing through a balanced debt and equity financing system. To this end there is a need for a detailed study on how banks can finance trade in a sustainable manner in order to ensure that the AfCFTA achieves its objectives, amongst which is the need to ensure that SMEs participate in driving development and growth in Africa as well as to ensure the continent's global competitiveness. It is not in doubt that SMEs have limited access to finance. They are often too large to access microfinance but evidently too small for traditional trade financing institutions. In addition, the anti-money laundering laws and KYC measures employed by banks have increased the complexities of trade finance applications, processing times and due diligence costs.

The high costs of logistics around trade finance application constitute a trade barrier for SMEs and make it significantly difficult for them to participate in regional and international trade. There are also opportunities at the disposal of SMEs aimed at financing their operations. These include the AfCFTA SME Financing facility and factoring. Therefore, it is pertinent that governments in Africa, regional and continental organs and financial institutions collaborate to provide an appropriate financing environment for SMEs. There is also a need for strategic partnerships to help SMEs access trade finance. More importantly, governments constituting the AfCFTA must remove non-tariff barriers and lower taxes and tariffs in order to help SMEs to grow their trade objectives and promote sustainable economic development in Africa.

Bibliography

Literature

Abidi *et al Why Do Banks Fail*
Abidi N *et al Why Do Banks Fail and What to Do About It. Contributions to Finance and Accounting* (Springer Cham 2024)

Ananou *et al* 2021 *Journal of Corporate Finance*
Ananou F *et al* "Liquidity Regulation and Bank Lending" 2021 *Journal of Corporate Finance* https://doi.org/10.1016/j.jcorpfin.2021.101997

Avdjiev *et al* 2019 *IMF Economic Review*
Avdjiev S *et al* "The Dollar Exchange Rate as a Global Risk Factor: Evidence from Investment" 2019 *IMF Economic Review* 151-173

Beqiraj *et al* 2025 *Journal of International Economics*
Beqiraj E *et al* "Global Banking and Macroeconomic Stability. Liquidity, Control, and Monitoring" 2025 *Journal of International Economics* https://doi.org/10.1016/j.jinteco.2025.104077

Bhattacharya, Inekwe and Valenzuela 2018 *Economic Modelling*
Bhattacharya M, Inekwe JN and Valenzuela MR "Financial Integration in Africa: New Evidence Using Network Approach" 2018 *Economic Modelling* 379-390

Bojang 2017 *International Journal of Inspiration Resilience and Youth Economy*
Bojang MBS "Critical Issues Affecting Africa's Development: E-Government, Democracy and Democratic Principles, and Governance as an Alternative for Socioeconomic Development in Africa" 2017 *International Journal of Inspiration Resilience and Youth Economy* 41-55

Brixiova, Kangoye and Yogo 2020 *Structural Change and Economic Dynamics*
Brixiova Z, Kangoye T and Yogo TU "Access to Finance Among Small and Medium-sized Enterprises and Job Creation in Africa" 2020 *Structural Change and Economic Dynamics* 177-189

Chikwereti, Foya and Muyeche 2022 *Journal of Advanced Research*
Chikwereti S, Foya D and Muyeche D "SME's Access to Credit: The Case for Zimbabwe (2009-2017)" 2022 *Journal of Advanced Research* 768-784

Choi, Kwon and Lobo 2000 *Journal of Business Research*
Choi WW, Kwon SS and Lobo GJ "Market Valuation of Intangible Assets" 2000 *Journal of Business Research* 35-45

Cole and Sokolyk 2016 *Journal of Financial Stability*
Cole R and Sokolyk T "Who Needs Credit and Who Gets Credit? Evidence from the Surveys of Small Business Finances" 2016 *Journal of Financial Stability* 40-60

Eltahir 2018 *International Journal of Small Business and Entrepreneurship*
Eltahir OAB "Factors Affecting the Performance and Business Success of Small and Medium Enterprises in Sudan (Case Study: Omdurman)" 2018 *International Journal of Small Business and Entrepreneurship* 14-22

Flogel and Hejnova 2024 *Finance and Space*
Flogel F and Hejnova T "Regional Banks and Economic Resilience: The Impact of the Global Financial Crisis and COVID-19 on Countries with Decentralised and Centralised Banking Systems" 2024 *Finance and Space* 460-488

Geetha 2021 *Journal of Emerging Technologies and Innovative Research*
Geetha RS "Examining the Effectiveness of Financial Regulation in Ensuring Market Stability and Integrity" 2021 *Journal of Emerging Technologies and Innovative Research* e305-e313

Godwin 2017 *LFMR*
Godwin A "Introduction to Special Issue: The Twin Peaks Model of Financial Regulation and Reform in South Africa" 2017 *LFMR* 151-153

Guruwo 2018 *International Journal of Innovative Research and Development*
Guruwo PT "Evaluating Problems Encountered by Small and Medium-sized Enterprises (SMEs) in Accessing Financial Support from Commercial Banks in Botswana" 2018 *International Journal of Innovative Research and Development* 90-97

Han *et al* 2020 *Digital Finance*
Han J *et al* "Artificial Intelligence for Anti-money Laundering: A Review and Extension" 2029 *Digital Finance* 211-239

Hani and Gana 2017 *Journal of Contemporary Issues in Business and Government*
Hani L and Gana B "Examining Access to Financial Resources for Small and Medium Enterprises (SMEs) in Algeria: A Comprehensive Analysis Beyond World Bank Metrics" 2017 *Journal of Contemporary Issues in Business and Government* 37-50

Issah *et al* 2022 *Cogent Economics and Finance*
Issah M *et al* "Anti-money Laundering Regulations and Banking Sector Stability in Africa" 2022 *Cogent Economics and Finance* 1-16

Kawimbe 2024 *American Research Journal of Humanities and Social Science*
Kawimbe S "Financing Small and Medium-sized Enterprises: Analysing Alternative Financing Instruments for SMEs in Zambia" 2024 *American Research Journal of Humanities and Social Science* 39-46

Masters 2021 *South African Journal of International Affairs*
Masters L "Africa, the Fourth Industrial Revolution, And Digital Diplomacy: (Re)Negotiating the International Knowledge Structure" 2021 *South African Journal of International Affairs* 361-377

Msomi and Olarewaju 2021 *African Journal of Inter/Multidisciplinary Studies*
Msomi TS and Olarewaju OM "Factors Affecting Small and Medium Enterprises' Financial Sustainability in South Africa" 2021 *African Journal of Inter/Multidisciplinary Studies* 103-117

Nach and Ncwadi 2024 *South African Journal of International Affairs*
Nach M and Ncwadi R "BRICS Economic Integration: Prospects and Challenges" 2024 *South African Journal of International Affairs* 152-166

Ngassa, Nongni and Kueda 2020 *International Journal of Economics and Management Studies*
Ngassa M, Nongni CL and Kueda WB "The Financing of Small and Medium Size Enterprises in Cameroon" 2020 *International Journal of Economics and Management Studies* 74-79

Nwosu and Ochu 2017 *Journal of Economics and Sustainable Development*
Nwosu CP and Ochu ER "Small and Medium Enterprise Financing in Nigeria: Benefits, Challenges and Way Forward" 2017 *Journal of Economics and Sustainable Development* 178-189

Okpeke and Iyelolu 2024 *GSC Advanced Research and Reviews*
Okpeke P and Iyelolu TV "Anti-money Laundering Compliance and Financial Inclusion: A Technical Analysis of Sub-Saharan" 2024 *GSC Advanced Research and Reviews* 336-343

Osabutey and Jackson 2024 *Technological Forecasting and Social Change*
Osabutey ELC and Jackson T "Mobile Money and Financial Inclusion in Africa: Emerging Themes, Challenges and Policy Implications" 2024 *Technological Forecasting and Social Change* https://doi.org/10.1016/j.techfore.2024.123339

Osei-Tutu and Weill 2022 *Economic Systems*
Osei-Tutu F and Weill L "Bank Efficiency and Access to Credit: International Evidence" 2022 *Economic Systems* https://doi.org/10.1016/j.ecosys.2022.101016

Quartey *et al* 2017 *Review of Development Finance*
Quartey P *et al* "Financing the Growth of SMEs in Africa: What are the Constraints to SME Financing within ECOWAS?" 2017 *Review of Development Finance* 18-28

Samunderu *Economic Effects of Air Transport Market Liberalisation*
Samunderu E *The Economic Effects of Air Transport Market Liberalisation: Advances in African Economic, Social and Political Development* (Springer Cham 2024)

Thang and Ha 2022 *International Economics*
Thang DN and Ha L "Trade Credit and Global Value Chain: Evidence from Cross-country Firm-level Data" 2022 *International Economics* 110-129

Turyahikayo 2015 *International Journal of Public Administration and Management Research*
Turyahikayo E "Challenges Faced by Small and Medium Enterprises in Raising Finance in Uganda" 2015 *International Journal of Public Administration and Management Research* 21-32

Ur-Rashid and Khan 2024 *Structural Change and Economic Dynamics*
Ur-Rashid HH and Khan MA "Standards and Non-tariff Barriers in Trade: A Case Study of South Asia" 2024 *Structural Change and Economic Dynamics* 427-437

Wang 2016 *Borsa Istanbul Review*
Wang Y "What are the Biggest Obstacles to Growth of SMEs in Developing Countries? An Empirical Evidence from an Enterprise Survey" 2016 *Borsa Istanbul Review* 167-176

Wei, Lin and Cen 2024 *Emerging Markets Review*
Wei L, Lin J and Cen W "Stronger Relationships Higher Risk? Credit Risk Evaluation Based on SMEs Network Microstructure" 2024 *Emerging Markets Review* https://doi.org/10.1016/j.ememar.2024.101189

Yap, Lee and Liew 2023 *Economic Research*
Yap S, Lee HS and Liew PX "The Role of Financial Inclusion in Achieving Finance-related Sustainable Development Goals (SDGs): A Cross-country Analysis" 2023 *Economic Research* https://dx.doi.org/10.1080/1331677X.2023.2212028

Case law

Namibia

Pinto v First National Bank of Namibia Ltd (98 of 2011) [2012] NAHC 285 (31 October 2012)

Prosecutor-General v Kangandjo (HC-MD-CIV-MOT-POCA 299 of 2018) [2020] NAHCMD 67 (27 February 2020)

Prosecutor-General v Uuyini (SA 20/2013) [2015] NASC 13 (2 July 2015)

Shalli v The Attorney-General (POCA 9/2011) [2013] NAHCMD 5 (16 January 2013)

South Africa

TSS v First National Bank of SA Limited ta FNB (2025/025087) [2025] ZAGPJHC 713 (8 March 2025)

Qongani Moyo v Standard Bank of South Africa (HC - Gauteng Division) (unreported) case number 2277/2020

Mbebe v First National Bank Limited (1336/2020) [2020] ZAECMHC 30 (21 July 2020)

Legislation

Algeria

Law No 16-09 on the Promotion of Investment, 2016

Finance Law for 2017

Botswana

Proceeds of Serious Crime Act 19 of 1990

Cameroon

Central African Economic and Monetary Community Regulation on Exchange Control, 2018

Egypt

Banking Regulations and Anti-money Laundering Requirements Law No 10/2009

Capital Market Law No 95/1992

Central Bank Law No 88/2003

Ghana

Bank of Ghana Act 612 of 2002

Banks and Specialised Deposit-taking Institutions Act 930 of 2016

Non-Bank Financial Institutions Act 774 of 2008

Ivory Coast

Investment Code (Presidential Ordinance 2018-646 + Decree 2018-647)

Ordinance 2009.385 on Banking Regulation

Regulation No 09/2010 on External Financial Relations

Kenya

Bank Act, 2015

Central Bank of Kenya Act, 2015

Kenya Deposit Insurance Act, 2012

Microfinance Act, 2006

National Payment System Act, 2011

Prevention of Organised Crimes Act 5 of 2010

Namibia

Prevention of Organised Crime Act 29 of 2004

Nigeria

Banks and Other Financial Institutions Act, 2004

Central Bank of Nigeria (Establishment) Act, 2007

Nigeria Investment Promotion Commission Act, 1995

South Africa

Banks Act 94 of 1990

Collective Investment Schemes Control Act 45 of 2002

Financial Advisory and Intermediary Services Act 37 of 2002

Financial Intelligence Centre Act 38 of 2001

Financial Markets Act 19 of 2012

Financial Sector Regulation Act 9 of 2017

Insurance Act 18 of 2017

Pensions Funds Act 24 of 1956

Prevention of Organised Crime Act 121 of 1998

Swaziland

Serious Offences (Confiscation of Proceeds) Act 8 of 2001

Sudan

Banking Business Law, 2004

Capital Market Regulatory Authority Law, 2016

Central Bank of Sudan Law, 2002

Companies Law, 2015

Money Laundering Law, 2014

National Investment Law, 2013

Stock Exchange Market Law, 2016

Tanzania

Bank of Tanzania Act, 2006

Banking and Financial Institutions Act, 2006

Proceeds of Crime Act 25 of 1991

Uganda

Bank of Uganda Act, 1969

Bank of Uganda Act, 2000

Financial Institutions Act, 2004

Uganda Securities Exchange Limited Rules, 2003

United States of America

31 CFR 500 – *Foreign Assets Control Regulations* AE 2.106/3:31/, 1 July 2004

Patriot Act, 2001

Securities Act, 1933

Zambia

Bank of Zambia Act 43 of 1996

Bank of Zambia Act 5 of 2022

Banking and Financial Services Act 7 of 2017

Public Finance Act 1 of 2018

Securities Act 41 of 2016

Zimbabwe

Banking Act [Chapter 24:20]

Companies Act [Chapter 24:03]

Exchange Control Act [Chapter 22:05]

Zimbabwe Investment Authority Act [Chapter 14:30]

International instruments

AfCFTA Protocol on Investment (2023)

African Union Agenda 2063 (2015)

African Union Convention on Preventing and Combating Corruption (2023)

Agreement Establishing the African Continental Free Trade Area (2018)

Agreement on the New Development Bank (2014)

Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the Prevention of the Use of the Financial System for the Purposes of Money Laundering or Terrorist Financing OJ L 141 (2015) 73

Protocol to the Agreement Establishing the African Continental Free Trade Area on Trade in Goods (2018)

Protocol to the Agreement Establishing the African Continental Free Trade Area on Trade in Services (2018)

Protocol to the Agreement Establishing the African Continental Free Trade Area on Women and Youth in Trade (2018)

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the Protection of Natural Persons with Regard to the Processing of Personal Data and on the Free Movement of Such Data (General Data Protection Regulation) OJ L 119 (2016) 1

SADC Protocol on Finance and Investment (2006)

United Nations *Transforming Our World: The 2030 Agenda for Sustainable Development* UN Doc A/RES/70/1 (2015) (SDGs)

Internet sources

Aboagye 2025 https://www.ghanaweb.com/GhanaHomePage/business/PAPSS-Unlocking-the-potential-of-Africa-s-cross-border-payment-system-1969645

Aboagye FA 2025 *PAPSS: Unlocking the Potential of Africa's Cross-border Payment System* https://www.ghanaweb.com/GhanaHomePage/business/PAPSS-Unlocking-the-potential-of-Africa-s-cross-border-payment-system-1969645 accessed 19 March 2025

Adigun 2025 https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/
Adigun O 2025 *Afreximbank: Africa's $100 Billion Trade Finance Gap Puts AfCFTA and SMEs at Risk* https://nairametrics.com/2025/06/26/afreximbank-africas-100-billion-trade-finance-gap-puts-afcfta-and-smes-at-risk/

African Capacity Building Foundation 2021 https://www.acbf-pact.org/media/press-release/boosting-trade-finance-support-afcfta-acbf-calls-promotion-and-adoption-model
African Capacity Building Foundation 2021 *Boosting Trade Finance in Support of the AfCFTA: ACBF Calls for Promotion and Adoption of Model Law on Factoring* https://www.acbf-pact.org/media/press-release/boosting-trade-finance-support-afcfta-acbf-calls-promotion-and-adoption-model accessed 18 March 2025

African Development Bank Group 2024 https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-extend-facilities-worth-200-million-and-zar-36-billion-standard-bank
African Development Bank Group 2024 *African Development Bank Group to Extend Facilities Worth $200 Million and ZAR 3.6 Billion to Standard Bank Group to Increase Trade in Africa and Support SMEs* https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-extend-facilities-worth-200-million-and-zar-36-billion-standard-bank accessed 18 March 2025

Afreximbank 2023 https://www.smefinanceforum.org/sites/default/files/Afrexim_Export%20SME%20DEVELOPMENT%20PROGRAMME.pdf
Afreximbank 2023 *Afreximbank Export SME Development Programme Overview* https://www.smefinanceforum.org/sites/default/files/Afrexim_Export%20SME%20DEVELOPMENT%20PROGRAMME.pdf accessed 17 August 2025

Akanmu 2023 https://www.premiumtimesng.com/opnion/587640-papss-minimising-bottlenecks-and-barriers-to-inter-africa-trade-by-olu-akanmu.html?tztc=1
Akanmu O 2023 *PAPSS: Minimising Bottlenecks and Barriers to Inter-Africa Trade* https://www.premiumtimesng.com/opnion/587640-papss-minimising-bottlenecks-and-barriers-to-inter-africa-trade-by-olu-akanmu.html?tztc=1 accessed 19 March 2025

Allianz Trade date unknown https://www.allianz-trade.com/en_ZA/news-insights/business-insights/sme-export-sales-stregthened-by-trade-credit-insurance-a-case.html
Allianz Trade date unknown *Expanding Exports Sales with Trade Credit Insurance: A Practical Case Study* https://www.allianz-

trade.com/en_ZA/news-insights/business-insights/sme-export-sales-stregthened-by-trade-credit-insurance-a-case.html accessed 17 March 2025

Amoussou *et al* 2023 https://www.afdb.org/en/documents/smes-demand-trade-finance-africa-case-kenya-and-tanzania-volume-14-issue-6
Amoussou O *et al* 2023 *SMEs' Demand for Trade Finance in Africa: The Case of Kenya and Tanzania. Africa Economic Brief 14(6)* https://www.afdb.org/en/documents/smes-demand-trade-finance-africa-case-kenya-and-tanzania-volume-14-issue-6 accessed 26 August 2025

Awani 2020 https://www.afreximbank.com/afcta-afreximbank-supports-factoring-as-a-viable-alternative-source-of-finance-for-smes/
Awani K 2020 *AfCFTA: Afreximbank Supports Factoring as a Viable Alternative Source of Finance for SMEs* https://www.afreximbank.com/afcta-afreximbank-supports-factoring-as-a-viable-alternative-source-of-finance-for-smes/ accessed 20 March 2025

BCBS 2010 https://www.bis.org/basel_framework/
Basel Committee on Banking Supervision 2010 *Basel III: International Regulatory Framework for Banks* https://www.bis.org/basel_framework/ accessed 27 August 2025

Borerwe 2021 https://www.theafricareport.com/151540/africa-expanding-access-to-trade-finance-is-necessary-for-smes/
Borerwe M 2021 *Africa: Expanding Access to Trade Finance is Necessary for SMEs* https://www.theafricareport.com/151540/africa-expanding-access-to-trade-finance-is-necessary-for-smes/ accessed 18 March 2025

Digital Frontiers Institute 2024 https://digitalfrontiersinstitute.org/regulatory-harmonisation-for-iips-in-africa-challenges-and-opportunities
Digital Frontiers Institute 2024 *Regulatory Harmonisation for IIPS in Africa: Challenges and Opportunities* https://digitalfrontiersinstitute.org/regulatory-harmonisation-for-iips-in-africa-challenges-and-opportunities accessed 19 March 2025

DTIC 2024 https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/
Department of Trade, Industry and Competition 2024 *Barriers to Finance Still a Challenge for Small Businesses in South Africa - Deputy Minister Godlimpi* https://www.thedtic.gov.za/barriers-to-finance-still-a-challenge-for-small-businesses-in-south-africa-deputy-minister-godlimpi/ accessed 17 August 2025

European Council date unknown https://www.consilium.europa.eu/en/policies/basel-iii
European Council date unknown *Basel III: International Regulatory Framework for Banks* https://www.consilium.europa.eu/en/policies/basel-iii accessed 9 March 2025

Everington 2024 https://www.thebanker.com/content/9cd65e99-2065-5009-a2ca-32fa3aded9d
Everington J 2024 *PAPSS Paves the Way for Intra-African Trade Efficiency* https://www.thebanker.com/content/9cd65e99-2065-5009-a2ca-32fa3aded9d accessed 18 December 2025

Falkena *et al* 2019 https://smallbusinessinstitute.co.za/wp-content/uploads/2019/12/Access-to-finance-in-South-Africa-A-Supply-Side-Regulatory-Review.pdf
Falkena H *et al* 2019 *SMEs' Access to Finance in South Africa: A Supply-side Regulatory Review* https://smallbusinessinstitute.co.za/wp-content/uploads/2019/12/Access-to-finance-in-South-Africa-A-Supply-Side-Regulatory-Review.pdf accessed 17 March 2025

Fišera, Horváth and Melecký 2019 https://documents1.worldbank.org/curated/en/441951575300867782/pdf/Basel-III-Implementation-and-SME-Financing-Evidence-for-Emerging-Markets-and-Developing-Economies.pdf
Fišera B, Horváth R and Melecký M 2019 *Basel III Implementation and SME Financing: Evidence for Emerging Markets and Developing Economies. Policy Research Working Paper 9069* https://documents1.worldbank.org/curated/en/441951575300867782/pdf/Basel-III-Implementation-and-SME-Financing-Evidence-for-Emerging-Markets-and-Developing-Economies.pdf accessed 26 August 2025

Gaviyau 2024 https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/
Gaviyau W 2024 *A New Payment System (PAPSS) to Revolutionize Payments in Africa* https://tradezimbabwe.com/a-new-payment-system-papss-to-revolutionize-payments-in-africa/ accessed 18 March 2025

Ghenna and Badu-Aboagye 2025 https://www.globalafricanetwork.com/company-news/ensuring-the-success-of-papss-overcoming-challenges-for-a-united-african-payment-system/
Ghenna K and Badu-Aboagye M 2025 *Ensuring the Success of PAPSS: Overcoming Challenges for a United African Payment System* https://www.globalafricanetwork.com/company-news/ensuring-the-success-of-papss-overcoming-challenges-for-a-united-african-payment-system/ accessed 19 March 2025

Hellopeter 2025 https://www.hellopeter.com/first-national-bank/reviews/fnb-freezes-bank-accounts-when-they-are-at-fault-5522707
Hellopeter 2025 *FNB Freezes Bank Accounts When They are at Fault* https://www.hellopeter.com/first-national-bank/reviews/fnb-freezes-bank-accounts-when-they-are-at-fault-5522707 accessed 17 August 2025

ICC 2019 https://iccwbo.org/wp-content/uploads/sites/3/2019/06/icc-uniform-customs-practice-credits-v2-).pdf
International Chamber of Commerce 2019 *ICC Uniform Customs and Practice for Documentary Credits for Electronic Presentation* https://iccwbo.org/wp-content/uploads/sites/3/2019/06/icc-uniform-customs-practice-credits-v2-).pdf accessed 17 March 2025

ICC 2021 https://iccwbo.org/news-publications/policies-reports/icc-standards-for-sustainable-trade-and-sustainable-trade-finance/#top
International Chamber of Commerce 2021 *ICC Standards for Sustainable Trade and Sustainable Trade Finance* https://iccwbo.org/news-publications/policies-reports/icc-standards-for-sustainable-trade-and-sustainable-trade-finance/#top accessed 17 March 2025

Impello Global 2025 https://www.impelloglobal.com/blog/exploring-the-role-of-trade-credit-insurance-in-international-trade
Impello Global 2025 *Exploring the Role of Trade Credit Insurance in International Trade* https://www.impelloglobal.com/blog/exploring-the-role-of-trade-credit-insurance-in-international-trade accessed 17 August 2025

Kariuki 2021 https://www.businessdailyafrica.com/bd/coporate/technology/platform-smes-a-boost-in-africa-trade-3263418
Kariuki J 2021 *Platform to Give SMEs a Boost in Intra-Africa Trade* https://www.businessdailyafrica.com/bd/coporate/technology/platform-smes-a-boost-in-africa-trade-3263418 accessed 18 March 2025

Karsaclian *et al* 2025 https://blogs.worldbank.org/en/opendata/can-economies-strengthen-financial-integrity-without-restricting
Karsaclian D *et al* 2025 *Can Economies Strengthen Financial Integrity Without Restricting SME Access to Finance? Data Insights from B-Ready 2024* https://blogs.worldbank.org/en/opendata/can-economies-strengthen-financial-integrity-without-restricting accessed 18 March 2025

Kubota and Calderon 2024 https://blogs.worldbank.org/en/africacan/currencies-and-inflation-across-sub-saharan-africa-in-2024-divergent-experiences-afe-1124
Kubota M and Calderon C 2024 *Currencies and Inflation Across Sub-Saharan Africa in 2024: Divergent Experiences* https://blogs.worldbank.org/en/africacan/currencies-and-inflation-across-sub-saharan-africa-in-2024-divergent-experiences-afe-1124 accessed 19 March 2025

Kycaid 2025 https://kycaid.com/blog/a-guide-to-global-kyc-regulations-key-differences-by-region/
Kycaid 2025 *A Guide to Global KYC Regulations: Key Differences by Region* https://kycaid.com/blog/a-guide-to-global-kyc-regulations-key-differences-by-region/ accessed 17 August 2025

London Stock Exchange Africa Advisory Group 2018 https://www.lseg.com/content/dam/lseg/en_us/documents/media-centre/africa-sme-financing.pdf
London Stock Exchange Africa Advisory Group 2018 *The Challenges and Opportunities of SME Financing in Africa* https://www.lseg.com/content/dam/lseg/en_us/documents/media-centre/africa-sme-financing.pdf accessed 9 March 2025

Mobile Ecosystem Forum 2025 https://mobileecosystemforum.com/2025/02/19/pan-african-payment-and-settlement-system-papss-the-revolution-of-cross-border-payments-in-africa/
Mobile Ecosystem Forum 2025 *Pan-African Payment and Settlement System (PAPSS), the Revolution of Cross-border Payments in Africa* https://mobileecosystemforum.com/2025/02/19/pan-african-payment-and-settlement-system-papss-the-revolution-of-cross-border-payments-in-africa/ accessed 19 March 2025

Morey 2024 https://disquantified.org/7-challenges-in-the-kyc-journey-insights-for-financial-institutions/
Morey D 2024 *7 Challenges in the KYC Journey: Insights for Financial Institutions* https://disquantified.org/7-challenges-in-the-kyc-journey-insights-for-financial-institutions/ accessed 18 March 2025

Naidoo 2021 https://www.softwaregroup.com/insights/blog/article/access-to-finance-for-smes-in-africa---how-can-banks-turn-this-challenge-inot-an-opportunity
Naidoo S 2021 *Access to Finance for SMEs in Africa: How Can Banks Turn this Challenge into an Opportunity?* https://www.softwaregroup.com/insights/blog/article/access-to-finance-for-smes-in-africa---how-can-banks-turn-this-challenge-inot-an-opportunity accessed 18 March 2025

Nyantakyi, Mabuza and Amoussou 2021 http://afripoli.org/the-dynamics-of-the-trade-finance-gap-in-africa
Nyantakyi EB, Mabuza P and Amoussou OC 2021 *The Dynamics of the Trade Finance Gap in Africa* http://afripoli.org/the-dynamics-of-the-trade-finance-gap-in-africa accessed 6 March 2025

OECD 2024 https://doi.org/10.1787/b3fe3647-en
Organisation for Economic Co-operation and Development 2023 *Financing SMEs for Sustainability – Financial Institution Strategies and Approaches:*

Results of an OECD Survey of Public and Private Financial Institutions. OECD SME and Entrepreneurship Papers No 46 https://doi.org/10.1787/b3fe3647-en accessed 26 August 2025

Ogbalu 2022 https://thepaypers.com/interviews/the-pan-african-payments-and-settlement-system-papss-challenges-milestones-and-the-current-state-of-affairs--1257399

Ogbalu III M 2022 *The Pan-African Payments and Settlement System (PAPSS): Challenges, Milestones, and the Current State of Affairs* https://thepaypers.com/interviews/the-pan-african-payments-and-settlement-system-papss-challenges-milestones-and-the-current-state-of-affairs--1257399 accessed 19 March 2025

Ogbalu 2024 https://www.ippmedia.com/the-guardian/business/read/african-banks-urged-to-adopt-pan-african-payment-system-2024-05-15-155455

Ogbalu III M 2024 *African Banks Urged to Adopt Pan-African Payment System* https://www.ippmedia.com/the-guardian/business/read/african-banks-urged-to-adopt-pan-african-payment-system-2024-05-15-155455 accessed 19 March 2025

The Exchange 2025 https://theexchange.africa/industry-and-trade/the-role-of-banks-in-enabling-afcfta/

The Exchange 2025 *The Role of Banks in Enabling AfCFTA* https://theexchange.africa/industry-and-trade/the-role-of-banks-in-enabling-afcfta/ accessed 11 March 2025

UN 2000 https://digitallibrary.un.org/record/413945?v=pdf

United Nations 2000 *International Standby Practices (ISP98): Report of the Secretary-General* https://digitallibrary.un.org/record/413945?v=pdf accessed 17 March 2025

Usman and Csanadi 2022 https://carnegieendowment.org/posts/2022/02/latest-milestone-for-the-african-continental-free-trade-area-the-pan-african-payment-and-settlement-system?lang=en

Usman Z and Csanadi A 2022 *Latest Milestone for the African Continental Free Trade Area: The Pan-African Payment and Settlement System* https://carnegieendowment.org/posts/2022/02/latest-milestone-for-the-african-continental-free-trade-area-the-pan-african-payment-and-settlement-system?lang=en accessed 18 March 2025

Van Wersch 2019 https://www.imf.org/en/Publications/WP/Issues/2019/07/31/Statistical-Coverage-of-Trade-Finance-Fintechs-and-Supply-Chain-Financing-46941

Van Wersch CL 2019 *Statistical Coverage of Trade Finance: Fintechs and Supply Chain Financing. IMF Working Paper WP/19/165*

https://www.imf.org/en/Publications/WP/Issues/2019/07/31/Statistical-Coverage-of-Trade-Finance-Fintechs-and-Supply-Chain-Financing-46941 accessed 26 August 2025

WEF 2023 https://www.weforum.org/stories/2023/01/why-supporting-smes-is-critical-for-a-global-trade-stability-and-and-a-more-inclusive-economy/
World Economic Forum 2023 *Why Supporting SMEs is Critical for Global Trade Stability and a More Inclusive Economy* https://www.weforum.org/stories/2023/01/why-supporting-smes-is-critical-for-a-global-trade-stability-and-and-a-more-inclusive-economy/ accessed 17 March 2025

WEF 2023 https://www.weforum.org/stories/2023/07/why-priming-africa-s-smes-for-growth-is-about-more-than-money/
World Economic Forum 2023 *Why Africa's SMEs Need More Than Money to Ensure Their Growth* https://www.weforum.org/stories/2023/07/why-priming-africa-s-smes-for-growth-is-about-more-than-money/ accessed 24 February 2025

WEF 2025 https://www.weforum.org/stories/2025/03/how-a-common-currency-union-called-the-ecozone-could-help-west-africa-reach-net-zero/
World Economic Forum 2025 *Ecozone: How a Regulated Common Currency Could Help West Africa Reach Net Zero* https://www.weforum.org/stories/2025/03/how-a-common-currency-union-called-the-ecozone-could-help-west-africa-reach-net-zero/ accessed 19 March 2025

World Bank 2019 https://documents1.worldbank.org/curated/en/934351587974318392/pdf/Improving-Access-to-FInance-for-Ghanaian-SMEs-Role-for-a-New-DFI.pdf
World Bank 2019 *Improving Access to Finance for Ghanaian SMEs: Is There a Role for a New Development Finance Institution?* https://documents1.worldbank.org/curated/en/934351587974318392/pdf/Improving-Access-to-FInance-for-Ghanaian-SMEs-Role-for-a-New-DFI.pdf access 17 March 2025

World Jurisprudence 2024 https://worldjurisprudence.com/trade-law-and-ethics/
World Jurisprudence 2024 *Understanding Trade Law and Ethics in Global Commerce* https://worldjurisprudence.com/trade-law-and-ethics/ 17 March 2025

WTO 2018 https://www.wto.org/english/res_e/booksp_e/tradefinsme_e.pdf
World Trade Organisation 2018 *Trade Finance and SMEs: Bridging the Gaps in Provision* https://www.wto.org/english/res_e/booksp_e/tradefinsme_e.pdf accessed 6 March 2025

WTO 2025 https://financing.desa.un.org/sites/default/files/2025-02/Brief%20-%20WTO_Trade%20Finance.pdf
World Trade Organisation 2025 *Bridging the Global Trade Finance Gap: Empowering SMEs and Driving Sustainable Growth* https://financing.desa.un.org/sites/default/files/2025-02/Brief%20-%20WTO_Trade%20Finance.pdf accessed 17 August 2025

WTO and IFC 2019 https://www.ifc.org/content/dam/ifc/doc/mgrt/trade-finance-compliance-2019.pdf
World Trade Organisation and International Finance Corporation 2019 *Trade Finance and the Compliance Challenge: A Showcase of International Cooperation* https://www.ifc.org/content/dam/ifc/doc/mgrt/trade-finance-compliance-2019.pdf accessed 9 March 2025

Zgheib 2022 https://www.ebrd.com/news/2022/ebrd-boosts-sme-access-to-finance-in-egypt-.html
Zgheib N 2022 *EBRD Boosts SME Access to Finance in Egypt* https://www.ebrd.com/news/2022/ebrd-boosts-sme-access-to-finance-in-egypt-.html accessed 17 March 2025

List of Abbreviations

AfCFTA	African Continental Free Trade Area
AI	artificial intelligence
AML	anti-money laundering
AMLD	Anti-Money Laundering Directive
AU	African Union
BCBS	Basel Committee on Banking Supervision
BRICS	Brazil, Russia, India, China and South Africa
DTIC	Department of Trade, Industry and Competition
EU	European Union
FATF	Financial Action Task Force
FICA	Financial Intelligence Centre Act 38 of 2001
FNB	First National Bank
GDP	gross domestic product
ICC	International Chamber of Commerce

IFC	International Finance Corporation
KYB	Know Your Business
KYC	Know Your Customer
LFMR	Law and Financial Markets Review
OECD	Organisation for Economic Co-operation and Development
PAPSS	Pan-African Payment Settlement System
NDB	New Development Bank
SADC	Southern Africa Development Community
SDGs	Sustainable Development Goals
SMEs	small and medium enterprises
UN	United Nations
USD	United States dollar
WEF	World Economic Forum
WTO	World Trade Organisation