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# **UNCDF and AfricaNenda announce an agreement to accelerate the harmonization of cross-border payments and digital financial services in Africa**

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**FRIDAY, 18 NOV (NEW YORK, NEW YORK, USA).** [The United Nations Capital Development Fund](#), or UNCDF, announced today that it has entered into a Memorandum of Understanding (MoU) with AfricaNenda and its fiscal sponsor Rockefeller Philanthropic Advisors (RPA)—to accelerate the growth of instant and inclusive payment systems (IIPS), and the harmonization of cross-border payments and financial market infrastructures in Africa.

With the need to deepen regional economic and trade relationships within Africa, there is a parallel need to reimagine the way money moves across borders for intra-Africa commerce and associated transactions and transfers. However, market inefficiencies and complexities on account of intermediaries in cross-border retail transactions have driven up the cost to consumers, resulting in the exclusion of more than half of Africa's adult population from formal financial services.

UNCDF and AfricaNenda will cooperate in promoting joint technical assistance and learning products for regional harmonization of cross-border payments and digital financial services. The collaboration will focus on building data and research capacity for generating evidence-based decisions to inform regulation and guide policy priorities for regional harmonization of cross-border payments, while also bringing about exposure to global practices and cross-border payment trends and technology. The collaborative efforts will help address the inefficiencies and complexities of cross-border payments and retail transactions, reduce the cost to consumers, and increase the adoption and uptake of formal channels of digital remittances and financial services, in line with the African Continental Free Trade Agreement (AfCFTA).

The partnership between UNCDF and AfricaNenda will also reinforce regional cooperation required for harmonization of cross-border payments and financial sector laws and regulations to foster economic integration in Sub-Saharan Africa. As of 2021, the Sub-Saharan Africa region recorded more than [US\\$49 billion in formal remittance inflows](#), accounted for by more than [30 million outbound migrants and more than 23 million inbound migrants](#) to the region, representing the increasing movement of unit of account through regulated or unregulated payment channels driven by movement of people across borders. With such a staggering number of migrants, there is an increasing need for a seamless flow of low-value cross-border payments. On the MoU with AfricaNenda, **Henri Dommel, Director of Inclusive Finance at UNCDF**, said,

**"UNCDF is pleased to have AfricaNenda as a regional partner in driving our efforts to harmonize cross-border payments across regional economic communities within Africa, helping rewrite the rule books in a way that makes sense for the African people by reimaging cross-border payments and digital financial services as a gateway to building lasting financial resilience for low-income households."**

**Dr. Robert Ochola, CEO of AfricaNenda**, commented,

**"UNCDF's agreement with AfricaNenda underlines its commitment to driving cross-border interoperability of payment systems, striving for open, regulated global payment networks that are specifically designed for low-value payments and digital financial services, addressing the needs of low-income population, including women and men migrants, around the world."**

## ABOUT UNCDF

The UN Capital Development Fund makes public and private finance work for the poor in the world's 46 least developed countries (LDCs). UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. UNCDF's financing models work through three channels: (1) inclusive digital economies, which connects individuals, households, and small businesses with financial ecosystems that catalyze participation in the local economy, and provide tools to climb out of poverty and manage financial lives; (2) local transformative finance, which capacitates localities through fiscal decentralization, innovative municipal finance, and structured project finance to drive local economic expansion and sustainable development; and (3) investment finance, which provides catalytic financial structuring, de-risking, and capital deployment to drive SDG impact and domestic resource mobilization.

## ABOUT AFRICANENDA

AfricaNenda is an African-led team of experts committed to unlocking the potential of digital financial services for the financially excluded across the continent by accelerating the scale-up of instant and inclusive payments systems. AfricaNenda's approach is to provide public and private sector stakeholders with technical expertise and the capacity to reduce barriers to digital payments. AfricaNenda wants to enable everybody in Africa to make digital transactions seamlessly and at a low cost wherever they are on the continent by 2030. Rockefeller Philanthropy Advisors is the fiscal sponsor for AfricaNenda.

Visit the AfricaNenda website for more information: [www.africanenda.org](http://www.africanenda.org)

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