



CONCEPT NOTE: AELP MARKETS CAPACITY BUILDING EVENT
ORGANIZED BY: AELP COMMERCIAL COMMITTEE & PROJECT MANAGEMENT OFFICE
SUPPORTED BY: AFRICAN SECURITIES EXCHANGES ASSOCIATION (ASEA)
HOSTED BY: BOTSWANA STOCK EXCHANGE
VENUE: ROYAL ARIA:
 Plot 10009, Ramfurwa, Tlokweng, Botswana; Plot 10009, Ramfurwa, Tlokweng, Botswana
ACCOMMODATION: [Travel Information](#)

[Register](#)

Target Audience:	All AELP Phase 1 and Phase 2 Markets: AELP stock exchanges, brokers, regulators, Pension funds, Central banks, Clearing, Settlement and Depositories, high net worth individuals, Listed Companies, African Markets Research Houses, Buy side investors Retail investors
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1. BACKGROUND:

To achieve the Sustainable Development Goals (SDGs) and foster economic development, Africa needs to improve the access to affordable finance. With international financial markets remaining difficult to access due to rising interest rates, it is crucial for African countries to deepen their domestic financial markets. Specifically, promoting local currency financing and developing financial markets could significantly mitigate the impact of financial crises on national economies and make it easier to manage capital flows.

In-depth development of domestic financial markets can reduce dependency on foreign capital and the risks associated with exchange rate fluctuations. By strengthening local financial systems, African countries can support long-term investments, improve economic resilience, and enhance economic sovereignty. Local currency financing offers a buffer against global financial shocks, as it reduces exposure to external debt obligations in foreign currencies that can become more costly when exchange rates are unfavorable.

Critical to the success of capital markets' development initiatives supported by ASEA and UNECA and the AELP project is the active participation of brokers and all market participants. Despite onboarding over 30 stockbrokers across seven markets, the level of activity has not reached anticipated levels. Of the connected brokers, only eight have signed counterparty agreements, with merely five executing actual trades across four markets. The implementation of Phase 2 becomes crucial in engaging more exchanges and brokers, aiming to enhance the scalability of the project from seven to approximately fifteen. Therefore, establishing a platform for networking is imperative, fostering increased business partnerships for AELP and promoting cross-border trading.

Recognizing the diverse structures and operations of each country's capital market is essential. Differences in governing laws, securities exchange rules, trading and post-trade clearing, and settlement mechanisms, as well as the range of products and services offered, must be thoroughly understood by connected market players. The complexity of these variations emphasizes the importance of a comprehensive understanding, crucial for the effective operation of the linkage and safeguarding the integrity of both domestic and linked markets.

Investors within each jurisdiction seek confidence in the transparency, fairness, and effective regulations of both foreign and domestic markets. A thorough comprehension of macroeconomic fundamentals, including capital control measures within each jurisdiction and their impact on investments, is imperative.

Market intermediaries in each participating market must possess extensive knowledge of all AELP participating markets, understanding foreign rules and regulations to advise clients adequately on cross-border transactions. Regulators, on the other hand, need to stay informed on updating regulations to protect investors and ensure the integrity of their domestic markets. While detailed discussions on the AELP Regulatory Framework and associated capacity building are planned for separate forums, it is paramount that information is disseminated across various platforms.

In light of these considerations, this Stakeholder Engagement Forum is critical to effectively disseminate critical knowledge required for the successful operation of the AELP. The goal is to foster collaboration and understanding among all involved parties, contributing to the overall success of the African Exchanges Linkage Project.

This workshop jointly organized by the African Exchange Linkage project (AELP), ASEA, the African Securities Dealers Association (ASSDA) and the Economic Commission for Africa (ECA), has the following objectives:

1. Promote knowledge building about investment opportunities that exist on African Exchanges participating in the AELP.
2. Encourage market participants across the continent to get to know each other, network and establish concrete professional relationships that will help nurture cross-border investments across African Exchanges.
3. Comprehensive Presentation to stakeholders on the AELP, its key objectives, and its operationalization.
4. Address inquiries and offer practical solutions to simplify, expedite, and reduce the costs associated with cross-border trading across African Exchanges.
5. Facilitate interactions between African listed companies and brokers, Pension Funds, Asset Managers, and other institutional/high net worth investors aiming to showcase the growth prospects and attractiveness of these companies.
6. Create an enabling environment to build the right ecosystem that will support the growth of cross-border trading, boost liquidity and more importantly result in African Exchanges emerging as attractive and powerful capital-raising platform to fund the growth of African companies and bridge the funding gap that is currently stifling Africa's growth potential.

2. ABOUT THE PARTNERS

The African Exchanges Linkage Project (AELP) is a pioneering initiative that aims to facilitate seamless cross-border trading across African capital markets. Jointly spearheaded by the African Securities Exchanges Association (ASEA) and the African Development Bank (AfDB), the AELP seeks to integrate stock exchanges across Africa, boosting liquidity, diversifying investment opportunities, and enhancing investment flows across the continent.

At its core, the AELP fosters market connectivity by linking stock exchanges for aggregated market data, and enabling brokers to execute trades directly across participating markets. This is achieved through the AELP Link technology platform, which facilitates real-time trading and information sharing between stockbrokers. Investors benefit from a broader range of securities, increased market depth, and access to growth markets across Africa without the need for intermediaries.

The AELP covers several key exchanges, including the Botswana Stock Exchange, Casablanca Stock Exchange, Bourse Régionale des Valeurs Mobilières (BRVM), The Egyptian Exchange, Nairobi Securities Exchange, Nigerian Exchange, Johannesburg Stock Exchange, Ghana Stock Exchange, Stock Exchange of Mauritius and Uganda Securities Exchange. By creating a single, connected investment space, the AELP helps African markets grow more competitive globally and offers new opportunities to both local and international investors. Phase 1 of the AELP which went live on 18th November 2022 interconnected seven (7) of the largest African stock exchanges and 31 stockbrokers. Phase 2 is currently ongoing and will expand interconnectivity to include all ten (10) exchanges and potentially 50 stockbrokers by the end of 2025.

In line with the African Union's Agenda 2063, the AELP is a key step towards financial integration and the development of deep, liquid, and sustainable capital markets across Africa. It empowers investors and issuers alike, unlocking the potential of Africa's diverse economies and promoting long-term growth and resilience.

The African Securities Exchanges Association (ASEA)'s main objective is to unlock the potential of African capital markets and enhance the development and global competitiveness of member exchanges. In doing so, ASEA has established a solid platform for the mutual co-operation of stock exchanges in the African region and continues to facilitate networking of its members as well as the exchange of information between member exchanges and the participants in their eco system. The African Exchanges Linkage Project (AELP) is a key initiative toward integrating African capital markets and facilitating cross-border trading across the continent.

The Economic Commission for Africa (ECA) was established by the Economic and Social Council (ECOSOC) of the United Nations (UN) in 1958 as one of the UN's five regional commissions. ECA's mandate is to promote the economic and social development of its member States, foster intra-regional integration, and promote international cooperation for Africa's development. ECA's mission is to deliver ideas and actions for an empowered and transformed Africa, informed by the 2030 Agenda and Agenda 2063. The mission is guided by ECA's strategic directions which include designing and implementing innovative financing models for infrastructure, and for human, physical and social assets for a transforming Africa.

3. TENTATIVE PROGRAM:

Day 1: 26th November 2024					
Start Time	End Time	Agenda Item	Presenter	Moderator	
8:30 AM	9:00 AM	Registration & Networking Breakfast	-		
9:00 AM	9:10 AM	Opening Remarks	Host Exchange		
9:10 AM	9:20 AM	Keynote Address: Role of the AELP in Pan-African Integration	ASEA President		
9:20 AM	9:30 AM	Keynote Address: Financial Connectivity and Growth in Africa	African Development Bank Representative		
9:30 AM	9:40 AM	Keynote Address: UNECA's Role in Promoting African Financial Markets Development	UNECA Representative		
9:40 AM	9:50 AM	Keynote Address: African Stockbrokers & Securities Dealers Association (ASSDA)	Organizing Secretary		
9:50 AM	10:00 AM	New Exchange & Brokers Admission Ceremony	USSE & ESE GSE & BSE Brokers		
10:00 AM	10:30 AM	Photos/Tea/Coffee Break			
10:30 AM	10:50 AM	Presentation: Overview of AELP	Ms. Lina Tonui		
10:50 AM	11:10 AM	Presentation: Legal Framework for AELP	Ms. Lilian Gichuru Chair Legal Committee		
11:10 AM	12:30 PM	Exchanges Session 1: Opportunities in African Capital Markets - BRVM, CSE, EGX, JSE	Panel of Exchange CEOs	TBD	
12:30 PM	1:30 PM	Lunch Break			
1:30 PM	2:30 PM	Panel Discussion: Harmonizing Regulatory Frameworks Across Africa	Regulatory Experts from exchanges / Regulator	TBD	
2:30 PM	3:30 PM	Panel Discussion: Role of Research, Securities Analysis and Credit Rating in enhancing cross-border trading in African Markets	Representative from Research Aggregators, Brokers, ASSDA	UNECA	
3:30 PM	4:40 PM	Exchanges Session 2: Opportunities in African Exchanges – NSE, NGX, SEM	Panel of Exchange CEOs		
4:40 PM	6:00 PM	Tea/Coffee Break: EXCHANGES, BROKERS, DIRECTFN, ISSUERS			

Day 2: 27th November 2024				
9:00 AM		Opening remarks		
9:05 AM	9:25 AM	Keynote Address: Leveraging Technology for Seamless Trading	DirectFN	
9:25 AM	9:45 AM	Exchanges Session 3: Opportunities in African Markets – BSE, USE, ESE	Exchange CEOs	
9:45 AM	10:45 AM	Case Study: AELP Traders' Experience	Panel of Stockbrokers	TBD
10:45 AM	11:05 AM	Tea/Coffee Break		
11:05 AM	11:25 AM	Presentation: Cross border payments and settlement	PAPSS	
11:25 AM	12:25 PM	Panel Discussion: Efficient Cross-border Post Trade Processes	Central Depositories	
12:25 PM	1:25 PM	Panel Discussion: Buy-side/Issuers' Panel	Sponsoring Issuers	TBD
1:25 PM	2:10 PM	Closing Remarks	ASEA President, AfDB, AU, UNECA	TBD
2:30 PM		LUNCH BREAK		
3:00 PM	5:00 PM	NETWORKING: EXCHANGES, BROKERS, DIRECTFN, ISSUERS		
ASEA CONFERENCE COCKTAIL				