

Absa Africa Financial Markets Index 2026

A decade of going far,
together advancing
Africa's markets



ACKNOWLEDGEMENTS

The Absa Africa Financial Markets Index was produced by OMFIF in association with Absa Group Limited.
© 2026 The Absa Group Limited and OMFIF Limited. All rights reserved.

ABSA CIB RESEARCH TEAM

Jeff Gable, Chief Economist and Head of Fixed Income Research,
Anthony Kirui, Head of Global Markets, Africa Regions

ABSA CIB PROJECT TEAM

Lisa Thomas, Head of Demand Generation, **Melaine Mpofu**, Senior Specialist, Global Markets, **Jerome Raman**, Senior Specialist, Corporate Reputation and Media Relations, **Gary Mthombeni**, Senior Specialist, International Corridors, **Eleanor Zulu**, Senior Specialist, Africa Regions

OMFIF

Report authors

Andrea Correa, Head of Research, **Yara Aziz**, Senior Economist,
Mariam Khan, Economist, **Christos Panourgias**, Economist, **Clément Guéhenneux**, Research Assistant

Editorial and marketing team

Sarah Moloney, Editorial Director, **Simon Hadley**, Director of Production and Development Planning, **Janan Jama**, Content Editor,
Prerna Kala, Editorial and Marketing Executive, **Ophelia Mather**, Marketing Coordinator, **Ben Rands**, Director of Operations and Marketing

INDIVIDUAL ACKNOWLEDGEMENTS

Jean-Marc Malambwe Kilolo, Economic Affairs Officer, United Nations Economic Commission for Africa, **Collins Otoo**, Economic Affairs Officer, United Nations Economic Commission for Africa

ORGANISATION ACKNOWLEDGEMENTS

We consulted more than 40 institutions across Africa, including central banks, stock exchanges, regulators and market practitioners. Although some requested anonymity, we thank the following for sharing their views:

Reserve Bank of Zimbabwe, Securities and Exchange Commission of Zimbabwe, Bankers Association of Zambia, Bank of Zambia, Capital Markets Authority of Uganda, Financial Sector Conduct Authority, South Africa, Capital Markets Authority of Rwanda, Bank of Ghana, PricewaterhouseCoopers Ghana, Bank of Uganda, Bourse des Valeurs Mobilières de Tunis, Bank of Tanzania, Capital Markets and Securities Authority, Tanzania, JSE Limited, South African Reserve Bank, Central Bank of Seychelles, Securities and Exchange Commission of Nigeria, Bank of Namibia, Banco de Moçambique, Reserve Bank of Malawi, Banky Foiben'i Madagasikara (Central Bank of Madagascar), Nairobi Securities Exchange, Kenya Bankers Association, Capital Markets Authority of Kenya, Ghana Stock Exchange, Eswatini Stock Exchange, Financial Regulatory Authority Egypt, Central Bank of Congo, Bourse des Valeurs Mobilières de l'Afrique Centrale, Cabo Verde Stock Exchange, Botswana Stock Exchange Limited

SUPPORTED BY



ABOUT ABSA GROUP LIMITED

Absa Group Limited ('Absa Group') is listed on the Johannesburg Stock Exchange and is one of Africa's largest diversified financial services groups.

Absa Group offers an integrated set of products and services across personal and business banking, corporate and investment banking, wealth and investment management and insurance.

Absa Group owns majority stakes in banks in Botswana, Ghana, Kenya, Mauritius, Mozambique, Seychelles, South Africa, Tanzania (Absa Bank Tanzania and National Bank of Commerce), Uganda and Zambia and has insurance operations in Botswana, Kenya, Mozambique, South Africa and Zambia. Absa also has offices in China, Namibia, Nigeria and the United States, as well as securities entities in the United Kingdom and the United States, along with technology support colleagues in the Czech Republic.

For further information about Absa Group Limited, visit www.absa.africa.

OMFIF is an independent think tank for central banking, economic policy and public investment – a non-lobbying network for best practice in worldwide public-private sector exchanges. At its heart are global public investors – central banks, sovereign funds and public pension funds – with investable assets of \$42tn, equivalent to 43% of world gross domestic product. With a presence in London, Washington and New York, OMFIF focuses on global policy and investment themes – particularly in asset management, capital markets, financial supervision and regulation – relating to central banks, sovereign funds, pension funds, regulators and treasuries. OMFIF promotes higher standards, invigorating exchanges between the public and private sectors and a better understanding of the world economy, in an atmosphere of mutual trust.

For further information about OMFIF, please visit www.omfif.org

CONTENTS

4

INTRODUCTION

Honouring 10 years of progress

4 - 5

FOREWORDS

By Kenny Fihla, Chief Executive Officer, Absa Group,
David Marsh, Chairman, OMFIF and Claver Gatete,
United Nations Economic Commission for Africa

6

EXECUTIVE SUMMARY

Widespread improvements across African
financial markets

10

AFMI AT 10

Looking back at 10 years of AFMI



14

2025-26 HIGHLIGHTS

Market developments throughout the continent

16

PILLAR 1: MARKET DEPTH

22

PILLAR 2: ACCESS TO FOREIGN EXCHANGE

28

PILLAR 3: MARKET TRANSPARENCY

34

PILLAR 4: PENSION FUND DEVELOPMENT

42

PILLAR 5: MACROECONOMIC ENVIRONMENT

48

PILLAR 6: LEGAL STANDARDS, TAX AND REGULATORY ENVIRONMENT

54

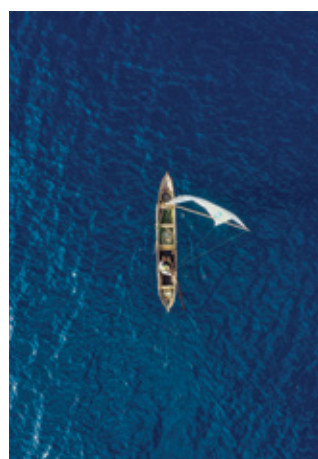
INDICATORS AND METHODOLOGY



16



22



28



34



42



48

HONOURING 10 YEARS OF PROGRESS



THE Absa Africa Financial Markets Index assesses financial market development across the continent through the lens of transparency, accessibility and openness. Now in its 10th year, the index provides a benchmark for market infrastructure and an opportunity for policy-makers to learn from improvements across Africa. Throughout this milestone edition, the index examines these 10 years of progress.

With support from the United Nations Economic Commission for Africa, the index covers 29 economies in the region. This equates to approximately 80% of the population and gross domestic product of Africa.

To construct the 2026 edition of the index, OMFIF conducted both quantitative and qualitative analysis, drawing on publicly available information and the results of a survey of more than 40 organisations across Africa. These included central banks, securities exchanges and regulators.

Each country is awarded a score to mark its progress over the last 12 months. This year, the index has a new scoring approach, being determined against a fixed reference bound, with an upper bound representing an achievable benchmark of good practice in an African financial market context, and a lower bound beyond which score changes generally do not have meaningful economic interpretations. The index is organised across six pillars:

- **Pillar 1: Market depth**
- **Pillar 2: Access to foreign exchange**
- **Pillar 3: Market transparency**
- **Pillar 4: Pension fund development**
- **Pillar 5: Macroeconomic environment**
- **Pillar 6: Legal standards tax and regulatory environment**

Individual pillar scores are based on reference bounds in each indicator. These are rebased to fit a harmonised scale from 10-100. Overall index scores are calculated as a simple average of the scores for each pillar. See pp. 56-57 for more details on the methodology.

CELEBRATING AFRICA'S SUCCESSES



KENNY FIHLA

Chief Executive
Officer, Absa Group

THE global environment is far from straightforward. From the near-term focus on higher energy prices, rising financing costs and a super El Niño, to the broader impacts of climate change and onward to the huge transformational opportunity of artificial intelligence, there is much to navigate.

In these complex times, all countries must bolster their fundamentals to best weather the storm. Happily, many African countries are in that very position.

As the global economy endures this unwelcome phase, across the African continent interest rates are generally lower, foreign reserves have been re-built in many and, as featured in the International Monetary Fund-World Bank forecasts, Africa's economic growth is expected to be more resilient than that of many other parts of the globe.

The continent's relative performance is not simply the result of good fortune. As tracked by the Absa Africa Financial Markets Index, African policy-makers and regulators have led reform efforts that have led to their country's financial market ecosystems being more open, more transparent and more accessible – put more simply, African countries' financial environment today is now more fit for purpose.

Two-thirds of the 29 countries in the index show improved scores over last year. Which is no small feat. But with this, the index's 10th year, it is the progress that countries have made over time that is all the more impressive.

Nearly all countries are implementing work to expand access to mobile wallets and payments. Seventeen countries now have introduced sustainable finance, roughly double the rate of five years ago, and 11 countries have now enacted climate stress testing as part of their regulatory framework. Similarly, over the decade, there have been impressive increases in financial product diversity, in availability of corporate credit ratings, and in progress towards the broad adoption of international financial, to select but a few further examples of many.

So, we rightly celebrate the successes achieved thus far and by continuing to provide high-quality data, we also look towards those areas where more can be done. Through providing data-rich discussions on Africa's financial market development, AFMI's role will be just as important in the years ahead than in the decade behind.

MERIT AND MATURITY ACROSS AFRICA



DAVID MARSH

Chairman, OMFIF

OMFIF and Absa are immensely proud to have launched the Absa Africa Financial Markets Index in 2017, with this edition commemorating the 10th anniversary. The index provides an important landmark for stock-taking and reflection within and beyond the continent. Yet not only the index has come of age. Far more importantly, the success stories coinciding with this 10-year milestone show that Africa has built a more resilient and better functioning set of economic fundamentals, auguring well for growth and stability over the next 10 years.

External circumstances are far from propitious. A long shadow is cast by war between Russia and Ukraine and in the Middle East, high oil prices, and disturbed relationships among the world's principal economic blocs. Africa, though, has shown merit and maturity in advancing towards greater self-sufficiency. Collectively and individually, economies have become, to a greater extent than before, masters of their own destiny. We record across the region a welcome improvement in macroeconomic conditions and a remarkable expansion of product diversity and sustainable finance instruments. An improvement in reserve buffers demonstrates a significant step towards overcoming a major traditional impediment to growth in many countries. We are particularly pleased that transparency and digital access continue to improve, fulfilling a major aspiration behind the index.

Africa has countered adversity with an astonishing achievement. The average score across all countries is now at 56, the highest of the last 10 years and up six points since 2017. All of this is based on rigorous analysis which, backed by timely adjustments in methodology (see pp. 56-57 for more details), has stood the test of time. Absa and OMFIF together stand ready to build on what has become a respected international yardstick for financial market prowess.

We look forward to working with partners and stakeholders to record further advances in purpose and performance in the coming decade. If this bears fruit, not just Africa, but the world, will be the richer.

INTEGRATING AFRICA'S FINANCIAL MARKETS



CLAVER GATETE

Under-Secretary-General
and Executive Secretary,
United Nations Economic
Commission for Africa

OVER the past decade, African financial markets have become more transparent, more diversified and better supported by regulatory and market infrastructure. Countries have improved the availability of financial and macroeconomic information, expanded the instruments available to issuers and investors, and modernised elements of their legal and regulatory frameworks. These advances have strengthened the foundations of market development across the continent.

This year's findings show this progress is continuing. Product innovation is broadening the financing landscape while digital financial services are extending access and creating new channels through which households and enterprises can participate in the formal financial system.

The assessment also reveals the limits of the progress achieved. In many markets, greater issuance has not yet produced sustained secondary-market activity, and debt vulnerabilities continue to restrict policy space in several countries. The central finding from the past 10 years is therefore that market expansion and market development are not the same. The next phase of reform must place greater emphasis on the quality, depth and functioning of markets.

The experience of the decade also points to the need for stronger regional approaches. Many national markets remain too small to generate the scale, liquidity and diversity required to mobilise long-term capital effectively. Regional integration can widen the investor base, reduce fragmentation and support the development of markets capable of financing projects and enterprises at scale.

From the perspective of the Economic Commission for Africa, these findings have a clear development implication. Financial market reform must be judged by its contribution to structural transformation. Africa requires substantially greater volumes of long-term finance for infrastructure, productive enterprises, job creation and the transition to low-carbon and climate-resilient economies.

The direction of progress over the past decade of the index is evident, but the remaining agenda is substantial. The ECA will continue to support member states in advancing these priorities through policy analysis, technical co-operation and regional convening. This year's index provides an assessment of where momentum has been established and where further reform is required for African financial markets to make a stronger contribution to the continent's long-term development.

WIDESPREAD IMPROVEMENTS ACROSS AFRICAN FINANCIAL MARKETS

AFMI countries have strengthened over the past 12 months, supported by a more favourable macroeconomic environment, improved foreign exchange reserve adequacy and further advances in transparency. Scores increased in 21 of the 29 countries covered by the index, demonstrating the breadth of progress across the region. Five key findings define this year's results.

1. FAVOURABLE ECONOMIC CONDITIONS SUPPORTED STRONGER FINANCIAL MARKETS

The macroeconomic environment improved across much of the region. All 29 AFMI countries recorded stronger gross domestic product growth scores, providing a more supportive backdrop for investment and capital markets activity. Inflation declined in 20 countries and external debt as a share of GDP also improved in 20 economies.

These gains strengthened confidence and supported increases in market size, depth and liquidity across most AFMI countries. Zambia benefitted from an increase in its outstanding sovereign bonds, while Ghana's turnover in the fixed income market and corporate trading rose. However, some vulnerabilities remain. Zimbabwe, Malawi and Ethiopia remain in debt distress, while liquidity remains a central constraint.

2. PRODUCT DIVERSITY AND SUSTAINABLE FINANCE INSTRUMENTS EXPANDED

Product diversity remained one of the clearest areas of progress, with 12 countries improving their scores. Kenya's infrastructure-backed security and Egypt's derivatives and alternative-investment initiatives, along with broader sustainable products, are examples of the wider offering.

Sustainable finance also became more firmly embedded in market development strategies. Nineteen countries reported environmental, social and governance initiatives, while 11 implemented climate stress testing – including Benin, Seychelles and Tanzania. New taxonomies, frameworks and instruments are helping create the infrastructure needed to identify and price climate-related risks.

3. STRONGER RESERVE BUFFERS SUPPORTED FX MARKET RESILIENCE

Foreign exchange reserve adequacy improved in 16 economies and was an important driver of higher Pillar 2 scores. Benin, Côte d'Ivoire, Senegal, Ghana, Cabo Verde and Lesotho recorded particularly large gains. Reporting standards were another area of strength, with 21 countries – including Uganda, the Democratic Republic of Congo and Botswana – receiving perfect scores. This suggests basic frameworks for communicating FX rules and market information are being widely established.

AFMI countries have made substantial progress in FX

market transparency; however, this does not necessarily create a liquid market. Further progress will require stronger interbank markets, broader participation, effective settlement infrastructure and legal frameworks for FX forwards, swaps and futures.

4. TRANSPARENCY AND DIGITAL ACCESS CONTINUED TO IMPROVE

Thirteen countries recorded higher transparency scores, with notable progress in the availability of macroeconomic data. Established publication frameworks for financial information, monetary policy decisions, annual budgets and macroeconomic statistics are widespread. Countries are increasingly focusing not only on whether information is published, but also on whether investors can access and use it. Initiatives include Uganda's planned central data hub and data accessibility platform, Egypt's electronic reporting links and Tunisia's digital reporting reforms.

Digital financial access is also expanding rapidly. Mobile money is bringing financial services within reach of millions and continues to drive account ownership across the region. Out of the 29 AFMI countries, 26 are implementing initiatives to expand access to mobile wallets and payment services. These measures could be particularly significant where financial exclusion remains high.

5. TEN YEARS OF PROGRESS PROVIDES A FOUNDATION FOR BENCHMARK AND MARKET ANALYSIS

Over the past decade, AFMI countries have strengthened market infrastructure, broadened their product offerings, modernised regulatory frameworks and improved the availability of financial and macroeconomic information. The average score across all countries and pillars now sits at 56 – the highest in the last 10 years – up 6 points since AFMI's launch in 2017.

The 10th edition demonstrates the value of consistent benchmarking over time. Country responses indicate that AFMI has helped authorities track progress, identify weaknesses in their financial market frameworks and compare their performance with regional peers. The 10 years of AFMI highlight the lesson that credible, comparable benchmarking can not only record progress, but also reinforce accountability, inform reform priorities and provide countries with a practical framework for advancing financial market development.

RANK		COUNTRY	SCORE		COMMENTS
2026	2025		2026	2025	
1	1	SOUTH AFRICA	85	83	Inflation targeting reset and price marking reforms
2	2	MAURITIUS	77	74	Foreign exchange market reforms and local currency settlements
3	3	NAMIBIA	71	70	Modernised infrastructure for central securities depository
4	4	UGANDA	68	67	Government-bond curve extension
5	7	KENYA	65	64	Record-high volumes of bond trading
6	10	GHANA	64	58	Big gains on equities and companies listed
7	5	BOTSWANA	64	66	Government securities roadshow and commodities exchange
8	6	NIGERIA	63	65	Record high gains over the main share index
9	8	TANZANIA	62	60	Money market reforms and heavily subscribed bond issues
10	11	MOROCCO	60	58	Three big initial purchase orders
11	13	EGYPT	58	56	Marked increase in financial products and voluntary carbon trading
12	9	ESWATINI	58	59	Agriculture-focused investment vehicle
13	19	CABO VERDE	56	49	Introduced a sustainability taxonomy
14	16	SEYCHELLES	55	51	Modernised wholesale payment infrastructure
15	14	ZAMBIA	55	54	Completed IMF review and reformed government-securities issuance
16	12	RWANDA	55	57	Launched a digital portal for retail investors
17	17	LESOTHO	55	51	Introduced Islamic finance rules
18	18	CÔTE D'IVOIRE	52	49	Returned to international markets
19	15	ZIMBABWE	52	51	Massive reduction on inflation rate
20	21	BENIN	51	48	Several sovereign credit-rating upgrades
21	26	MALAWI	48	44	Increase in the stock market value
22	20	CAMEROON	48	48	Advanced plans to modernise its trading infrastructure
23	27	DRC	47	42	Favourable macroeconomic conditions
24	24	SENEGAL	47	45	Interoperable instant payment platform as part of the WAEMU region
25	25	ANGOLA	47	44	High record of equity market capitalisation
26	22	MOZAMBIQUE	46	46	Joined the World Federation of Exchanges
27	23	TUNISIA	45	46	ESG and carbon border disclosure requirements
28	28	MADAGASCAR	44	41	Bond market development and tested electronic trading platform
29	29	ETHIOPIA	41	41	Began stock exchange trading

Source: Absa Africa Financial Markets Index 2026

Note: Overall scores are calculated as an average of six pillar scores. Maximum score = 100. Scores from 2025 have been updated to incorporate any revisions, improved data collection methods and the new scoring methodology, so they do not reflect those published in AFMI 2025. More information on pp. 56-57.

2025-26 OVERALL PILLAR SCORES MAX = 100

PILLAR 1: MARKET DEPTH		PILLAR 2: ACCESS TO FOREIGN EXCHANGE		PILLAR 3: MARKET TRANSPARENCY, TAX AND REGULATORY ENVIRONMENT	
SOUTH AFRICA	92	SOUTH AFRICA	90	SOUTH AFRICA	100
EGYPT	59	UGANDA	81	KENYA	100
NIGERIA	56	MADAGASCAR	80	EGYPT	93
MAURITIUS	56	MAURITIUS	75	GHANA	90
BOTSWANA	53	KENYA	74	NIGERIA	88
GHANA	53	LESOTHO	70	UGANDA	87
NAMIBIA	52	NIGERIA	70	TANZANIA	85
MOROCCO	51	CABO VERDE	70	ZAMBIA	84
TUNISIA	50	EGYPT	68	MAURITIUS	83
MOZAMBIQUE	47	BENIN	63	MOROCCO	82
UGANDA	47	CÔTE D'IVOIRE	63	NAMIBIA	80
TANZANIA	43	SENEGAL	63	BOTSWANA	79
KENYA	43	BOTSWANA	60	ANGOLA	73
ANGOLA	41	GHANA	60	RWANDA	70
BENIN	40	TANZANIA	60	ZIMBABWE	68
RWANDA	38	ANGOLA	59	SEYCHELLES	68
CABO VERDE	38	MOROCCO	58	LESOTHO	66
ZAMBIA	37	ZAMBIA	57	TUNISIA	65
MALAWI	37	RWANDA	56	MOZAMBIQUE	64
CAMEROON	34	SEYCHELLES	54	SENEGAL	64
SENEGAL	32	CAMEROON	50	CAMEROON	63
CÔTE D'IVOIRE	32	NAMIBIA	49	MALAWI	63
ESWATINI	23	ETHIOPIA	48	MADAGASCAR	63
DRC	21	ESWATINI	46	CÔTE D'IVOIRE	63
MADAGASCAR	20	DRC	44	DRC	60
SEYCHELLES	16	TUNISIA	44	CABO VERDE	59
ZIMBABWE	16	MOZAMBIQUE	43	ETHIOPIA	59
LESOTHO	12	MALAWI	40	BENIN	58
ETHIOPIA	11	ZIMBABWE	33	ESWATINI	51

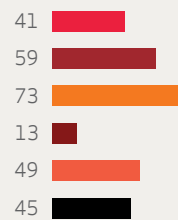
PILLAR 4: PENSION FUND DEVELOPMENT		PILLAR 5: MACROECONOMIC ENVIRONMENT AND TRANSPARENCY		PILLAR 6: LEGAL STANDARDS AND ENFORCEABILITY	
NAMIBIA	100	UGANDA	96	MAURITIUS	97
ESWATINI	100	DRC	91	SOUTH AFRICA	96
SEYCHELLES	68	ZIMBABWE	90	GHANA	92
MAURITIUS	63	CÔTE D'IVOIRE	89	NIGERIA	84
BOTSWANA	63	MAURITIUS	89	RWANDA	81
LESOTHO	62	SEYCHELLES	88	ZAMBIA	78
SOUTH AFRICA	55	TANZANIA	85	KENYA	76
CABO VERDE	41	NAMIBIA	84	ZIMBABWE	71
MOROCCO	38	ESWATINI	82	UGANDA	69
TANZANIA	35	ETHIOPIA	79	MALAWI	69
ZIMBABWE	32	BENIN	79	TANZANIA	65
KENYA	30	SOUTH AFRICA	76	NAMIBIA	64
UGANDA	28	CAMEROON	73	MOROCCO	63
RWANDA	24	LESOTHO	73	EGYPT	61
MALAWI	22	BOTSWANA	73	BENIN	60
GHANA	20	MOROCCO	71	CABO VERDE	58
CAMEROON	18	CABO VERDE	68	DRC	58
TUNISIA	17	KENYA	68	MOZAMBIQUE	56
NIGERIA	17	GHANA	67	BOTSWANA	54
CÔTE D'IVOIRE	17	MADAGASCAR	66	TUNISIA	54
MOZAMBIQUE	15	NIGERIA	65	SENEGAL	50
ANGOLA	13	ZAMBIA	63	CÔTE D'IVOIRE	49
ZAMBIA	13	SENEGAL	60	CAMEROON	48
SENEGAL	12	RWANDA	60	ANGOLA	45
EGYPT	11	EGYPT	58	ESWATINI	44
ETHIOPIA	10	MALAWI	56	LESOTHO	43
MADAGASCAR	10	MOZAMBIQUE	49	ETHIOPIA	38
BENIN	10	ANGOLA	49	SEYCHELLES	37
DRC	10	TUNISIA	40	MADAGASCAR	26

COUNTRY SNAPSHOTS

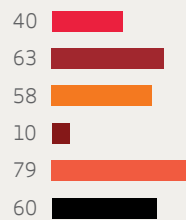
KEY (XX) = OVERALL SCORE

- 1. Market depth
- 2. Access to foreign exchange
- 3. Market transparency, tax and regulatory environment
- 4. Pension fund development
- 5. Macroeconomic environment and transparency
- 6. Legal standards and enforceability

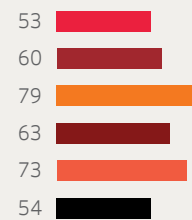
 ANGOLA (47)



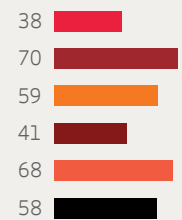
 BENIN (51)



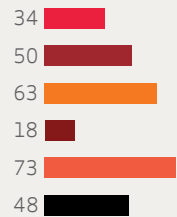
 BOTSWANA (64)



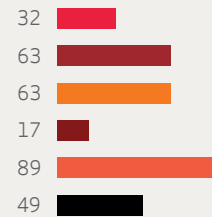
 CABO VERDE (56)



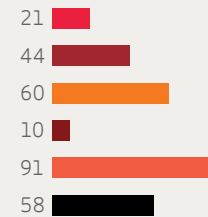
 CAMEROON (48)



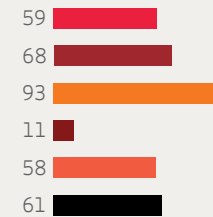
 CÔTE D'IVOIRE (52)



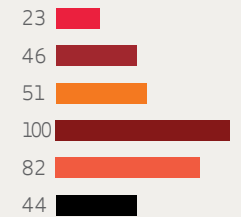
 DRC (47)



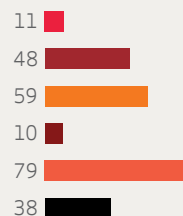
 EGYPT (58)



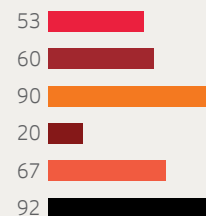
 ESWATINI (58)



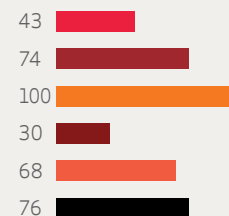
 ETHIOPIA (41)



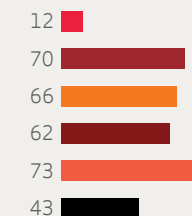
 GHANA (64)



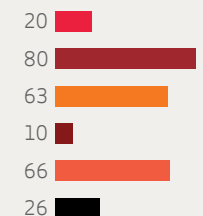
 KENYA (65)



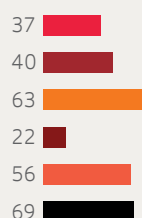
 LESOTHO (55)



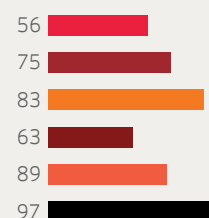
 MADAGASCAR (44)



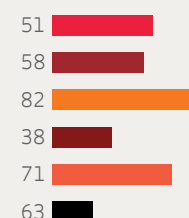
 MALAWI (48)



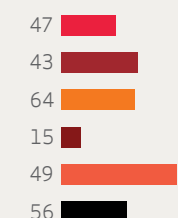
 MAURITIUS (77)



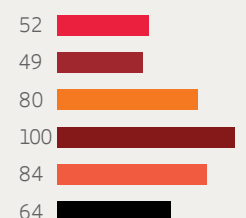
 MOROCCO (60)



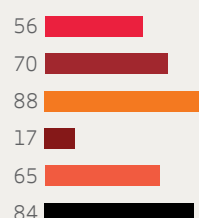
 MOZAMBIQUE (46)



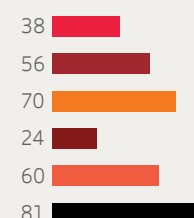
 NAMIBIA (71)



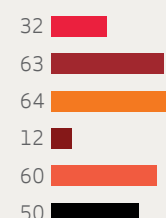
 NIGERIA (63)



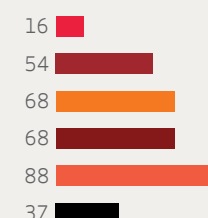
 RWANDA (55)



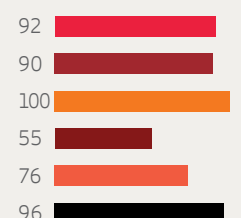
 SENEGAL (47)



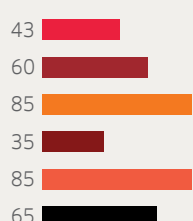
 SEYCHELLES (55)



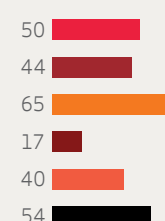
 SOUTH AFRICA (85)



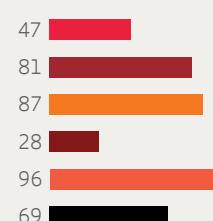
 TANZANIA (62)



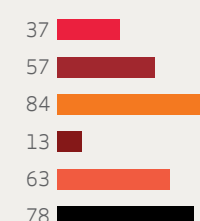
 TUNISIA (45)



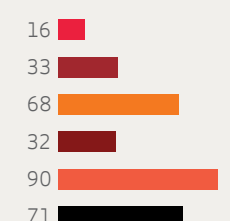
 UGANDA (68)



 ZAMBIA (55)



 ZIMBABWE (52)



Over the past decade, the Absa Africa Financial Markets Index has evolved into a comprehensive benchmark for assessing financial market development across the continent. Its expanding country coverage, refined methodology and introduction of new measures have kept it responsive to changing market conditions. These annual highlights trace that evolution and the index's growing contribution to benchmarking progress, identifying reform priorities and encouraging peer learning.



2017



BUILDING THE BENCHMARK

AFMI launches across 17 countries, creating a six-pillar framework to assess financial markets and set a common benchmark for improvement.

2018



EXPANDING THE CONVERSATION

Coverage grows to 20 countries as Angola, Cameroon and Senegal join. The report also places greater focus on financial inclusion, investor education and market development.

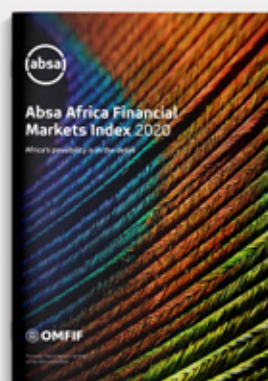
2019



PROGRESS STARTS TO SHOW

The average score rises to 53 at launch from 50. Seychelles records the strongest improvement since the first edition, rising to 47 from 29.

2020



MARKETS FACE MAJOR TEST

Covid-19 tests the resilience of African financial markets. Coverage expands to 23 countries, while stronger legal frameworks and growing local investor capacity support progress.

2021



SUSTAINABILITY AND DIGITAL FINANCE MOVE UP THE AGENDA

Sustainable finance products become a formal part of the index. The report also highlights regulatory sandboxes, digital market infrastructure and CBDC research.

2022



PRODUCTS AND POLICIES DIVERSIFY

Coverage expands to 26 countries. Nineteen countries improve their scores, while 17 have sustainability-focused financial policies and nine offer sustainable financial products.

2023



PRODUCT INNOVATION BROADENS

Coverage reaches 28 countries with Cabo Verde and Tunisia joining. Islamic financial products are introduced in the product-diversity measure, with eight AFMI economies offering them.

2024



PROGRESS BECOMES WIDESPREAD

Coverage reaches 29 countries with Benin joining. The report records 23 countries improving their overall score, equivalent to 82% of the index, the highest proportion in seven years.

2025



REFORM CONTINUES

Despite tougher global conditions, structural reform continues. Ten countries improve, while major developments include FX reform, stronger legal frameworks and climate-related policy developments.

2026



10 YEARS OF BENCHMARKING PROGRESS

A refined methodology and recalculated five-year scores strengthen comparability over time. The report places greater emphasis on decision-useful transparency, climate resilience and digital financial access.



How the biggest economy in the region continues to develop deep, liquid markets. With South African Reserve Bank.

SOUTH AFRICA

► *South Africa remains AFMI's leading financial market, supported by the scale and liquidity of its capital markets, a broad range of financial products, sophisticated market infrastructure and strong institutional investor participation. Which reforms and institutional features have been most important in sustaining this cross-pillar leadership, and what lessons are transferable to smaller African markets?*

Some of South Africa's success reflects endowment factors, such as being a relatively large country and the biggest economy in our region. But there are other aspects any country can replicate. The foundational one is strong macro-financial policies: low inflation, exchange rate flexibility, sustainable government debt and prudent financial sector regulation. It is also important to develop deep and liquid markets for core assets like government debt, foreign exchange and money.

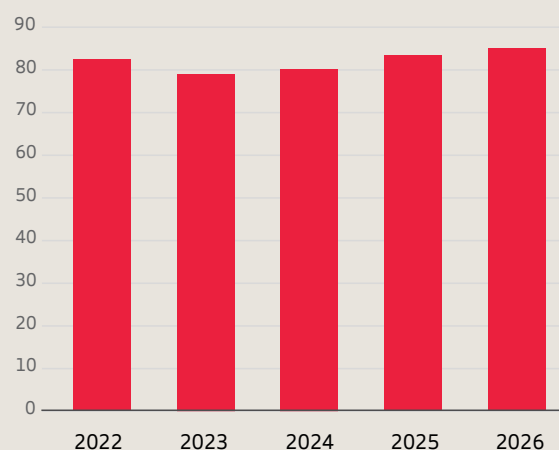
The money market, in particular, is important for central banks. It is one thing to issue a statement declaring a change in interest rates, and another for that to transmit into the economy cleanly. Investments in monetary policy implementation frameworks – such as the reforms that the South African Reserve Bank had undertaken in 2022 – can improve liquidity and support effective policy transmission.

► *Having already developed relatively mature market institutions, where does South Africa see the greatest scope for further progress: increasing corporate issuance and listings, strengthening market liquidity, expanding sustainable-finance and hedging instruments, or improving transparency and investor access?*

There is ample scope for further reform and innovation in South Africa's financial markets. One important area is raising corporate bond issuance, which would make sense as growth picks up and government borrowing starts to decline – ameliorating 'crowding out' effects. Another is improving repurchase agreement market functioning. It's been said that the 'financial universe runs on repo', but South Africa's repo market is still relatively small and opaque. This could change with infrastructural developments like building out the triparty system, as well as regulatory changes that bring in new participants, especially money market funds.

Sustainable financing instruments are another interesting growth area. We also look forward to replacing Jibar with Zaronia, as a better benchmark rate. After that, discontinuing Prime should bring more transparency to household borrowing costs. Finally, updating the exchange control regime with a modern framework would allow us to achieve our macroprudential objectives at much lower cost to society.

SOUTH AFRICA FIVE-YEAR OVERALL SCORES



Source: OMFIF analysis



Jacaranda trees, Pretoria, South Africa

'SOME OF SOUTH AFRICA'S SUCCESS REFLECTS ENDOWMENT FACTORS, SUCH AS BEING A RELATIVELY LARGE COUNTRY AND THE BIGGEST ECONOMY IN OUR REGION.'



The future development of Mauritius's financial sector is intrinsically tied to African development, with Priscilla Muthoora Thakoor, governor, Bank of Mauritius.

MAURITIUS

► Mauritius continues to rank among AFMI's strongest performers, combining an open financial system with comparatively developed market infrastructure, product availability, transparency and a supportive legal and regulatory environment. Which recent reforms have contributed most to this broad-based performance, and what lessons are transferable to other African markets?

Maintaining a competitive financial system has always been embedded within Mauritius' strategy. The development of the Mauritian financial sector has been anchored around two main factors. First, building credibility by ensuring we have the basics right in terms of macroeconomic stability, talent and regulations, as well as an investor-friendly environment. The jurisdiction consistently strives to get the balance right between regulation and ease of doing business. Second, ensuring we remain innovative and capturing opportunities as they arise.

In this regard, Mauritius has recently accelerated its push to leverage the opportunities provided by fintech and environmental, social and governance considerations with the conviction that they offer significant opportunities to develop new products and increase our presence across Africa. Mauritius is putting in place the legal and regulatory frameworks, as well as the market architecture to remain competitive as this market segment grows. Product innovation and new markets are also at the core of the country's 2025-30 financial sector strategy.

► Mauritius has made progress in areas such as sustainable finance, product innovation and cross-border investment, but its domestic market remains relatively small. How is the country seeking to leverage its international connectivity and regulatory strengths to drive greater domestic issuance and a wider investor base?

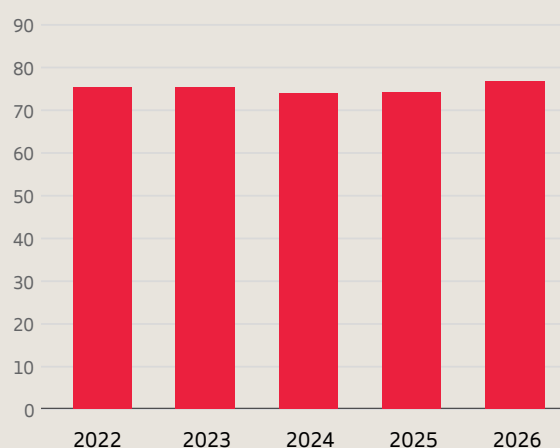
Mauritius' financial sector strategy, and more broadly its economic strategy, has always had global integration as its linchpin. This approach will be amplified going forward.

Vision 2050, the country's long-term development strategy, envisions the transformation of Mauritius from an international financial centre to an international business hub, leveraging its talent and credibility to become the platform that intermediates a big share of Africa's financing needs. We are one of the two countries with an investment-grade rating on the continent. We are already involved in structuring and de-risking infrastructure investment. Various development finance institutions use Mauritius to invest in Africa.

As the continent prospers – tapping its demographic potential and resources – the demand for financing and financial products will increase further. We see significant potential for wealth management, family offices and institutional investors in the future. At the same time, mitigating climate risks through adaptation and pursuing a green development strategy will require additional sustainable finance.

The future development of Mauritius's financial sector is intrinsically tied to African development.

MAURITIUS FIVE-YEAR OVERALL SCORES



Source: OMFIF analysis



Kaylasson Temple, Port Louis, Mauritius

'VISION 2050, THE COUNTRY'S LONG-TERM DEVELOPMENT STRATEGY, ENVISIONS THE TRANSFORMATION OF MAURITIUS FROM AN INTERNATIONAL FINANCIAL CENTRE TO AN INTERNATIONAL BUSINESS HUB'

HIGHLIGHTS 2025-26

New reforms and developments in capital markets bring positive changes for AFMI economies.

ANGOLA

Its equity-market capitalisation hit a record high, rising by around 200%, with a new bank share listing while the central bank cut interest rates.

BENIN

A sum of \$850m was raised internationally in early 2026, including Africa's first international sovereign sukuk, alongside a series of sovereign credit-rating upgrades.

BOTSWANA

Its first government-securities investor roadshow was held, and a new commodities exchange was launched and connected to the pan-African exchange-linkage network.

CABO VERDE

A national sustainability taxonomy and new frameworks for diaspora bonds and commercial paper was established, broadening the range of financing instruments available to its domestic market.

CAMEROON

The regional Central African exchange strengthened its rulebook, rebased its main share index following the BGFI Holding listing and moved ahead with plans to upgrade its trading infrastructure.

CÔTE D'IVOIRE

The country returned to international capital markets with a \$1.3bn 15-year bond in February 2026, following a sovereign rating upgrade in late 2025.

DEMOCRATIC REPUBLIC OF CONGO

A draft stock-exchange law was adopted, making the central bank's national gold reserve programme operational, as the currency strengthened by around 34%.

EGYPT

A voluntary carbon market and broad investment-fund reforms launched, while the central bank cut interest rates sharply and foreign reserves rose.

ESWATINI

The country listed an agriculture-focused investment vehicle and signed a partnership with the Nairobi Securities Exchange to support market development and retail participation.



Hand-woven rugs, Morocco

ETHIOPIA

Live securities trading launched on Ethiopia's new stock exchange in July 2025, with government Treasury bills among the first securities listed and traded.

GHANA

Inflation fell to under 4% from 18% and Ghana's stock market rose nearly 80%, with three new listings ending a seven-year drought.

KENYA

The country's first dollar-denominated security was listed and recorded its highest-ever bond trading volumes during a broad market rally.

LESOTHO

An online portal launched allowing retail investors to buy government and corporate bonds directly from their phones or computers.

MADAGASCAR

Groundwork was laid for a bond market by building a reference yield curve and testing an electronic trading platform.



MALAWI

Its stock-market value rose to around \$16bn, while government borrowing shifted towards shorter maturities and key government-security yields fell sharply.

MAURITIUS

The foreign-exchange market reformed to curb arbitrage and operationalised a local-currency cross-border settlement framework with India.

MOROCCO

Three initial public offerings were recorded in 2025, with Vicenne, Cash Plus and SGTm raising MAD6.1bn in aggregate.

MOZAMBIQUE

Its stock exchange joined the World Federation of Exchanges and gained international quality certification, while a new instant payments system went live.

NAMIBIA

The first central securities depository in Namibia was made operational in December 2025, replacing a largely paper-based securities settlement system.

NIGERIA

Its main share index reached an all-time high, rising by more than 50%, while the country exited the international financial-crime grey list.

RWANDA

The country deepened its market with Islamic finance rules, a new private-market board and a multi-currency securities segment, while its exchange joined the WFE.

SENEGAL

The Central Bank of West African States' Interoperable Instant Payment System Platform launch was hosted in Dakar in September 2025.

SEYCHELLES

The first real-time gross settlement system in Seychelles launched in June 2026, modernising its wholesale payments infrastructure.

SOUTH AFRICA

The inflation target was reset to 3% and advanced the transition from Jibar to Zaronia, reshaping two key benchmarks underpinning its financial markets.

TANZANIA

Money market reforms were combined with a wave of heavily subscribed bond issuance and the launch of its first exchange-traded funds.

TUNISIA

New ESG and carbon-border disclosure requirements were introduced alongside a wider strengthening of its capital markets regulatory framework.

UGANDA

The government-bond yield curve extended to 25 years and introduced FX swaps for monetary-policy operations, as foreign reserves rose by more than 50%.

ZAMBIA

The country formally exited default following sovereign rating upgrades, completed its fifth International Monetary Fund programme review and overhauled the issuance of government securities.

ZIMBABWE

Inflation fell to below 5% from around 93%, virtual assets were formally recognised and companies continued migrating to its dollar-denominated exchange.

Note: The information for Côte d'Ivoire, Ethiopia, Morocco and Senegal comes from official sources, since no survey was submitted this year.

PILLAR 1:

MARKET DEPTH



Johannesburg, South Africa

Pillar 1 evaluates whether a country's domestic capital market is large, active and varied, measuring the size and liquidity of domestic equity and bond markets, the diversity of listed assets, and the presence of standard features to enhance market depth.

KEY FINDINGS:

1. Favourable macroeconomic conditions helped to improve market size, depth and liquidity across most AFMI countries.
2. Product diversity continues to advance across the region, with 12 countries reporting an increase in this indicator.
3. Despite improvements, liquidity remains a constraint, with a further need to see consistent growth in the turnover of securities and the variety of products that are actively traded.

1.1. PRESENCE OF A PRIMARY DEALER SYSTEM HELPED IMPROVE COUNTRY SCORES

Pillar 1 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	SIZE OF MARKET	LIQUIDITY	PRODUCT DIVERSITY	DEPTH	PRIMARY DEALER SYSTEM
SOUTH AFRICA	92	▲ 2	87	95	80	100	100
EGYPT	59	▲ 13	26	70	59	40	100
NIGERIA	56	▼ -1	22	16	44	100	100
MAURITIUS	56	▼ -5	21	16	73	70	100
BOTSWANA	53	▲ 1	51	15	75	70	55
GHANA	53	▲ 6	30	54	42	40	100
NAMIBIA	52	▲ 8	40	22	57	40	100
MOROCCO	51	- 0	17	20	47	70	100
TUNISIA	50	- 0	31	19	30	70	100
MOZAMBIQUE	47	- 0	19	14	34	70	100
UGANDA	47	▼ -5	29	28	40	40	100
TANZANIA	43	▲ 9	21	15	53	70	55
KENYA	43	▲ 5	33	21	64	40	55
ANGOLA	41	▼ -5	18	19	27	40	100
BENIN	40	▲ 8	14	12	32	40	100
RWANDA	38	▲ 1	19	13	35	70	55
CABO VERDE	38	▲ 3	38	23	35	40	55
ZAMBIA	37	▲ 2	48	10	31	40	55
MALAWI	37	▲ 1	33	11	44	40	55
CAMEROON	34	▲ 6	12	40	21	40	55
SENEGAL	32	- 0	16	14	34	40	55
CÔTE D'IVOIRE	32	- 0	17	12	34	40	55
ESWATINI	23	▲ 1	19	10	21	10	55
DRC	21	▼ -1	10	10	20	10	55
MADAGASCAR	20	▲ 7	10	10	17	10	55
SEYCHELLES	16	▲ 2	14	19	28	10	10
ZIMBABWE	16	▲ 2	12	16	30	10	10
LESOTHO	12	▼ -6	15	10	14	10	10
ETHIOPIA	11	- 0	10	10	14	10	10

Source: AFMI 2026 survey, World Federation of Exchanges, national stock exchanges, International Monetary Fund, OMFIF analysis

Note: Overall Pillar 1 scores represent the average score across each of the Pillar 1 indicators. Average scores may differ from those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in the 2025 AFMI report. More information on pp. 56-57.



EGYPT CLIMBED TO SECOND PLACE THIS YEAR, AND WAS THE BIGGEST RISER FOR 2026, WITH A SCORE OF 59, UP 13 POINTS FROM 2025.

MARKET conditions improved in most AFMI economies, with 19 countries recording higher Pillar 1 scores this year. Market size and liquidity were the two indicators in which countries saw the largest increases in scores, while product diversity remained a major driver of increases across the region. In contrast, countries' performance against the market depth and primary dealer system metrics remained largely unchanged. However, for the latter, a positive turnover in the horizontal repurchase agreement market pushed up the scores of countries like Egypt, Namibia, Tanzania and Benin, while the inclusion of a primary dealer system benefitted Madagascar's score, marking the biggest increases per indicator this year.

South Africa remains the top performer in Pillar 1 of the 2026 edition, with a score of 92, up 2 points from last year. The country boasts perfect scores for market depth and the primary dealer system. In addition, market size and liquidity measures remain the highest in the region, with a market capitalisation of \$1.4tn and sovereign and corporate bond turnover totalling \$3.1tn.

Egypt climbed to second place this year, and was the biggest riser for 2026, with a score of 59, up 13 points from 2025. The country benefitted greatly from increased average turnover in the horizontal repo market, reported at a daily average of \$200m. Furthermore, Egypt added several products to its market this year, including risk management and sustainable products, thereby boosting its product diversity indicator.

In contrast, Mauritius reported one of the largest declines in its Pillar 1 score this year, down 5 points to 56. The country's ranking fell to fourth place in this year's edition from second place overall in 2025. Its score was largely affected by a shrink in its market size, with no active sovereign bonds listed. Survey respondents mentioned challenges related to the small market size and domestic investor base, 'as the market's size limits retail participation and relies heavily on institutional investors who buy and hold, restricting trading activity'.

They also mentioned concentration risk, noting that the market is heavily concentrated in the financial and tourism sectors.

Increased market size and market activity

Unlike Mauritius, 16 countries saw an increase in market size, with the majority benefitting from increased market capitalisation and bond issuance, particularly in sovereign bonds, with average outstanding amounts of \$20bn, up from \$16bn in 2025. Zambia recorded the largest increase in this indicator, with the dollar value of its outstanding sovereign bonds nearly doubling in a year, supported by an appreciating exchange rate (Figure 1.2). This change was also reinforced by the normalisation of its sovereign debt market following external debt restructuring, the introduction of larger benchmark bonds and a more consistent issuance framework.

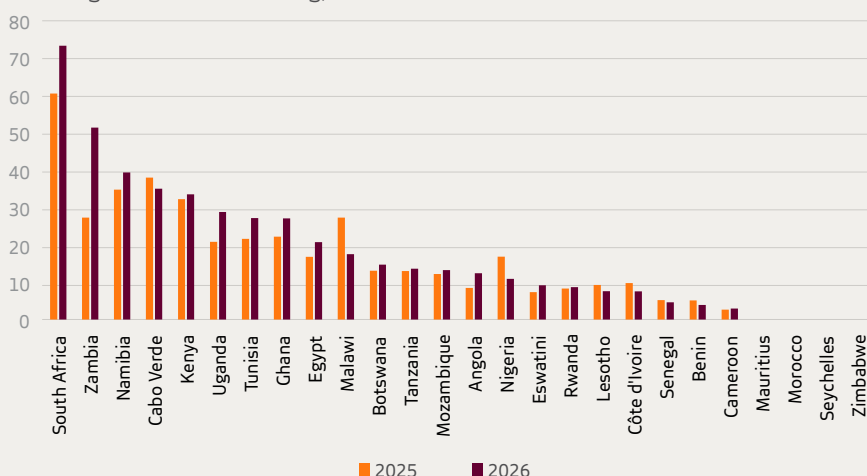
In addition, market liquidity improved across 15 countries in the index amid a more supportive macroeconomic environment, particularly in the latter stages of 2025 and into early 2026 (see Pillar 5). Falling inflation, easing exchange-rate pressures and monetary policy easing strengthened investor confidence, reduced uncertainty, and supported higher equity valuations and renewed trading in government and corporate debt. Large sovereign refinancing and infrastructure financing needs also increased the supply of domestic government securities.

Survey responses also point to a broad recovery in market size and trading activity. Ghana's turnover in the fixed-income market doubled between 2023 and 2025, while corporate bond trading in the first five months of 2026 was more than 2.5 times its level in the corresponding period of 2025. The country also issued a seven-year bond in March 2026 – its first domestic bond issuance following the domestic debt exchange programme. This, according to a survey respondent, reflects 'renewed investor appetite for private sector debt as macroeconomic conditions stabilised'.

However, progress was uneven:

1.2. SOVEREIGN BOND ISSUANCES SOARED IN MOST COUNTRIES

Sovereign bonds outstanding, % of GDP



Source: AFMI 2025-26 survey, World Federation of Exchanges, national stock exchanges, OMFIF analysis
Note: Excludes Democratic Republic of Congo, Ethiopia and Madagascar, which do not have domestic stock exchanges.

raised since 2000, while corporate debt remains similarly small and concentrated. In addition, the limited scale of the domestic institutional investor base, including pension funds and insurers, further constrains liquidity (see Pillar 4). Moreover, local asset managers' domestic holdings are often concentrated in government securities that are held to maturity. Respondents in Kenya, Nigeria and Zambia identified significant government debt issuance and very high government bond yields as possibly crowding out equities and corporate bonds, while responses from the DRC and Mauritius also highlighted how concentrated institutional ownership and buy-and-hold behaviour restrict trading and market liquidity.

Product innovation is becoming more institutionalised

The increase in product diversity was a major highlight in the 2025 edition of AFMI, and this trend continues in this year's report, with 12 countries reporting an increase in the score for this indicator and a further nine reporting no change (Figure 1.3). Some countries, such as Kenya, Egypt and Namibia, reported sizeable increases of up to 22 points. However, there is still a long way to go, as the average score for this indicator sits at just 40.

Kenya broadened its offerings through infrastructure-backed securities, exchange-traded funds and derivatives. The country also advanced sustainable finance through social bonds, sustainability-linked bonds, green real estate investment trusts and the publication of a national green finance taxonomy.

Similarly, Namibia made several strides in product diversity, including the addition of hedging products, foreign-exchange derivatives and exchange-traded notes. On the environmental, social and governance side, the country made progress on the inclusion of sustainable and green bonds listed on the Namibia Securities Exchange. Furthermore, it developed a new central securities depository and a retail bond programme, which aims to improve access, clearing and settlement.

Beyond sub-Saharan Africa,

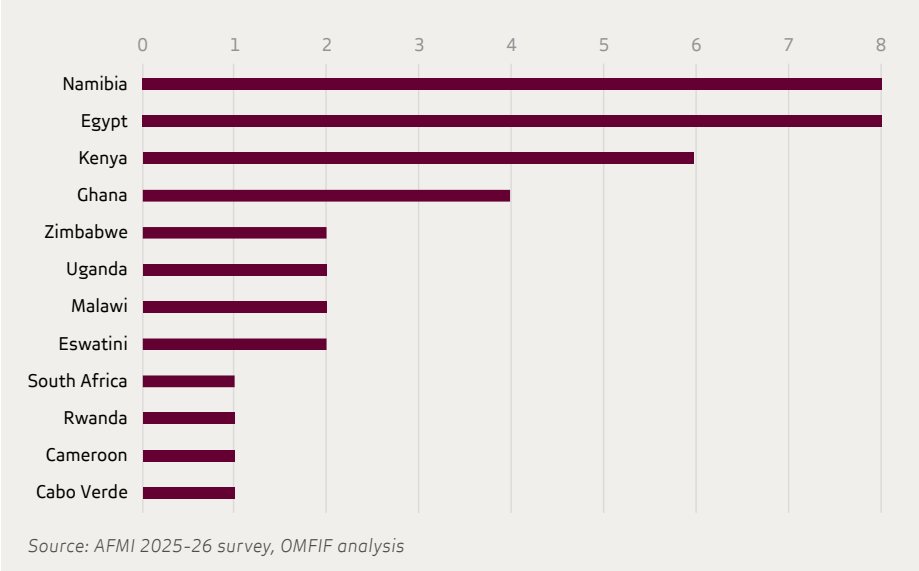
in some markets, capitalisation rose without a corresponding improvement in liquidity. According to survey respondents, Angola's market capitalisation increased by more than 200%, primarily driven by the landmark initial public offering of Banco de Fomento Angola, which added one of the country's largest banks to BODIVA, Angola's Debt and Stock Exchange. However, the total trading value declined by 5.5%. Similarly, Malawi's market capitalisation increased, though liquidity stayed thin, with a survey respondent stating that 'market liquidity remained a longstanding challenge, with both the value traded-to-market capitalisation ratio and the value traded-to-gross domestic product ratio remaining below 1% per month throughout the period'.

In general, persistent liquidity constraints reflect not only limited investor participation but also a shortage of sufficiently large, investment-ready issuers. According to the Organisation for Economic Co-operation and Development's Africa Capital Markets Report 2025, African companies have accounted for only around 1% of global equity capital

16 COUNTRIES SAW AN INCREASE IN MARKET SIZE, WITH THE MAJORITY BENEFITTING FROM INCREASED MARKET CAPITALISATION AND BOND ISSUANCE.

1.3. A DOZEN COUNTRIES ADDED AT LEAST ONE NEW ASSET CLASS THIS YEAR

Change in availability of financial products on exchanges or over the counter, 2025-26



THE EXPANSION OF FINANCIAL PRODUCTS ACROSS AFMI COUNTRIES IS ENCOURAGING; HOWEVER, MORE INSTRUMENTS DO NOT AUTOMATICALLY CREATE DEEPER MARKETS.

Egypt made notable progress in risk management products and equity futures. The inclusion of sustainable equities and sustainable mutual funds further widened the range of climate-related instruments. Survey respondents also mentioned the availability of several other products, including women empowerment and environmental bonds, gold investment funds, carbon credits and digital REITs.

Similar initiatives across AFMI markets, such as Ghana’s development of a regulatory framework for non-interest banking and Islamic finance and the revision of ETF rules, show that innovation is spreading beyond the largest financial centres. The hope is that, over time, these products attract repeat issuance, broaden the investor base and generate sustained secondary-market trading.

Addressing recurrent challenges

The expansion of financial products across AFMI countries is encouraging; however, more instruments do not automatically create deeper markets. The development of more open, transparent and accessible markets occurs when issuance, investors,

secondary trading and market infrastructure reinforce one another. The next stage of market development is therefore to convert a larger stock of securities into continuous trading, reliable prices and lower funding costs.

A stronger pipeline of investment-ready issuers is also needed. Incubation and pre-listing programmes, such as those being developed in Benin, Cameroon, Malawi and Rwanda, can help companies strengthen their governance, disclosure and financing structures before entering public markets. Authorities could complement these programmes with proportionate listing requirements, standardised issuance documentation and targeted support for first-time corporate bond issuers.

Governments can further support liquidity by concentrating issuance in fewer, larger benchmark bonds and conducting liability-management operations that reduce fragmented or illiquid lines. At the same time, government issuance strategies should avoid overwhelming domestic savings or displacing private issuers. The objective should be a government bond market that provides pricing benchmarks, collateral for the wider financial system

and funding of productive government investment, rather than a market that absorbs nearly all available investment capital.

In many cases, national markets cannot independently generate deep liquidity across all instruments, so regional integration can provide the benefits of a broader investor base. Cross-border trading links, interoperable depositories, mutual recognition of brokers and funds, and regional passporting arrangements may therefore be more effective than establishing additional small domestic platforms. The African Exchanges Linkage Project provides a foundation for this approach by connecting brokers and exchanges, and widening access to securities across participating markets.

Ultimately, successful market development requires coordinated action across the entire system. Measuring progress through repeat issuance, active turnover, broader ownership and lower financing costs would move the policy discussion beyond product availability. It would also provide a clearer test of whether reforms are creating markets that can mobilise savings and finance long-term economic development.



The country developed its market infrastructure and experienced strong growth within Pillar 1 in the index. With Emomotimi Agama, director-general and chief executive officer, Securities and Exchange Commission, Nigeria.



NIGERIA

► *Nigeria has recorded strong growth across several Pillar 1 indicators, including equity market capitalisation and turnover. Which policy reforms and market developments contributed most to this performance?*

This is the product of coordinated policy, macroeconomic reforms and the modernisation of our legal framework under the Investments and Securities Act 2025. The banking sector recapitalisation programme was central to this outcome, which the Commission delivered through the capital market. By 1 April 2026, 33 banks met the new capital thresholds, raising ₦4.7tn, with 72.6% sourced domestically and 27.5% internationally. Our 2024 recapitalisation framework, supported by electronic filing and streamlined approvals, ensured the exercise was completed on schedule and boosted capital market issuances and investor participation. Approximately 500,000 new investors entered the market through bank offers on NGX Invest portal. Looking ahead, T+1 settlement and our restoration to FTSE Russell Frontier Market status will further strengthen liquidity, efficiency and investor confidence.

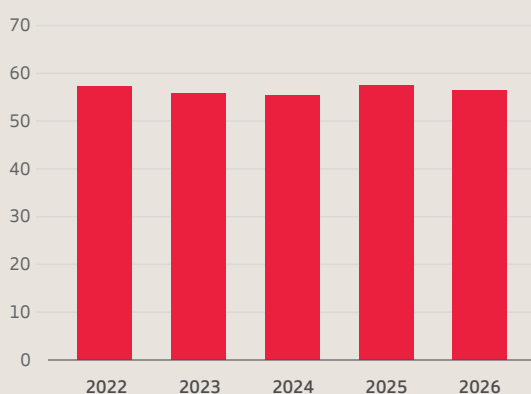
► *Nigeria introduced several important market infrastructure reforms, including a new commercial paper listing and trading platform. What evidence is there that these reforms have improved liquidity, price discovery and funding conditions?*

In September 2025, the Commission approved a two-year transition to mark-to-market valuation for fixed-income securities held by collective investment schemes. All new purchases are valued at market price immediately and full fair-value measurement is expected by 2027. The reform is strengthening transparency, improving price discovery and aligning market practice with IFRS

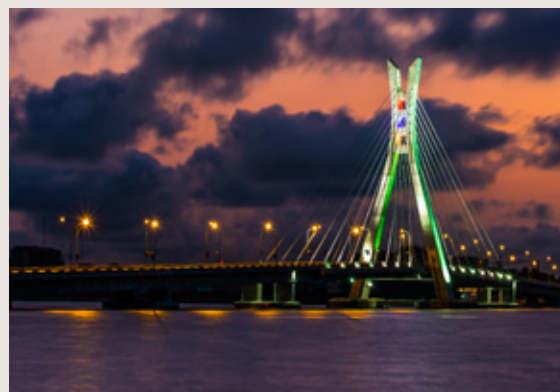
9 and international standards. In July 2025, the Commission also strengthened market-based financing through a comprehensive commercial paper framework, which introduced eligibility criteria, mandatory credit ratings, enhanced disclosure standards and regulated exchange trading. As a result, 90 commercial paper issuances valued at ₦893.7bn were recorded in 2025. In the first nine months of 2026, the Commission approved 83 registrations by 60 issuers worth ₦1.3tn, including ₦493.2bn in repeat issuances, demonstrating sustained issuer confidence and improved access to short-term market funding.

► *Despite recent growth, trading remains concentrated in a relatively small number of large companies and government borrowing. What measures are being taken to increase new listings and corporate debt issuance, and to channel domestic assets towards productive investment?* Our response is fourfold. First, we are expanding the listing pipeline through engagement with large private companies and strategic enterprises, including the proposed Dangote Petroleum Refinery initial public offering. Second, we are promoting greater use of the corporate debt market by simplifying issuance processes and broadening the range of eligible instruments. Third, the Capital Market Masterplan 2.0 targets growth in market size from ₦250tn to ₦750tn through increased listings, products and investor participation. Finally, the Investments and Securities Act 2025 broadens opportunities in infrastructure instruments, sukuk, commodities, derivatives, sustainable finance products and virtual assets, enabling pension and other institutional funds to be channelled into productive sectors, infrastructure and long-term economic development.

NIGERIA FIVE-YEAR PILLAR 1 SCORES



Source: OMFIF analysis



Lekki-Ikoyi Link Bridge, Nigeria

'33 BANKS MET THE NEW CAPITAL THRESHOLDS, RAISING ₦4.7TN, WITH 72.6% SOURCED DOMESTICALLY AND 27.5% INTERNATIONALLY.'

An aerial photograph of a winding asphalt road that snakes through a dense, vibrant green forest. The road features white lane markings and curves gracefully through the landscape. A few small vehicles are visible on the road. The sunlight filters through the trees, creating a dappled light effect on the foliage.

PILLAR 2:

ACCESS TO FOREIGN EXCHANGE

Mbeya Urban, Tanzania

Pillar 2 assesses the openness, liquidity and resilience of foreign exchange markets. It examines how easily international investors can access and repatriate capital and how effectively economies can withstand pressures from cross-border flows.

KEY FINDINGS:

1. Pillar 2 scores increased in 19 AFMI countries. Uganda recorded the largest improvement, rising 12 points to 81 and returning to second place overall as FX liquidity and reporting standards improved.
2. FX reserve adequacy improved in 16 economies and was an important driver of higher scores, with particularly large gains in Benin, Côte d'Ivoire, Senegal, Ghana, Cabo Verde and Lesotho.
3. Reporting standards are strong across the index, with 21 countries receiving a perfect score, but deep interbank FX liquidity remains limited to a relatively small number of markets.

2.1. UGANDA RETURNS TO SECOND PLACE

Pillar 2 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	RESERVE ADEQUACY	FX LIQUIDITY	FX ARRANGEMENT AND CONTROLS	REPORTING STANDARDS
SOUTH AFRICA	90	▲ 1	91	100	70	100
UGANDA	81	▲ 12	37	91	97	100
MADAGASCAR	80	▲ 2	80	100	49	90
MAURITIUS	75	▼ -2	100	15	83	100
KENYA	74	▲ 8	69	42	87	100
LESOTHO	70	▲ 9	98	10	73	100
NIGERIA	70	▼ -8	100	61	30	90
CABO VERDE	70	▲ 6	100	10	70	100
EGYPT	68	- 0	68	23	90	90
BENIN	63	▲ 9	100	10	40	100
CÔTE D'IVOIRE	63	▲ 9	100	10	40	100
SENEGAL	63	▲ 9	100	10	40	100
BOTSWANA	60	▲ 1	65	10	67	100
GHANA	60	▲ 8	77	19	55	90
TANZANIA	60	▲ 1	54	10	77	100
ANGOLA	59	▼ -1	100	12	22	100
MOROCCO	58	▲ 1	79	24	40	90
ZAMBIA	57	▲ 1	45	11	70	100
RWANDA	56	▼ -2	44	10	70	100
SEYCHELLES	54	- 0	51	10	67	90
CAMEROON	50	▼ -3	48	10	43	100
NAMIBIA	49	▼ -4	44	10	43	100
ETHIOPIA	48	▲ 2	16	11	67	100
ESWATINI	46	▼ -3	33	10	43	100
DRC	44	▲ 1	31	10	37	100
TUNISIA	44	▼ -4	53	14	40	70
MOZAMBIQUE	43	▼ -1	27	10	43	90
MALAWI	40	- 0	10	12	40	100
ZIMBABWE	33	▲ 1	14	11	7	100

Source: AFMI 2026 survey, International Monetary Fund, national central banks

Note: Overall Pillar 2 scores represent the average score across each of the Pillar 2 indicators. Average scores may differ to those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in the 2025 AFMI report. More information on pp. 56-57.



UGANDA RECORDS THE LARGEST IMPROVEMENT IN PILLAR 2, GAINING 12 POINTS AND JUMPING FROM FIFTH TO SECOND PLACE.

PILLAR 2 performance improved across most countries in the 2026 index, with scores rising in 19 countries and falling in 10. South Africa maintains first place with a score of 90, extending its run at the top of the pillar since 2022. It receives full marks for foreign exchange liquidity and reporting standards and scores 91 for reserve adequacy.

Uganda records the largest improvement in Pillar 2, gaining 12 points and jumping from fifth to second place – regaining its position in the leading group, last held in 2023. Madagascar completes the top three with a score of 80, supported by full marks for FX liquidity and strong reserve adequacy.

Uganda deepens its FX market

Uganda's rise reflects continued development of its domestic FX market. Its FX liquidity score increases to 91 from 75 in the 2025 edition, placing it behind only South Africa and Madagascar on this measure. Annual interbank turnover rose to \$5.8bn in the year up to June 2026, up around 15% in the year before June 2025. Total FX spot market turnover reached \$41.1bn, up from \$33.2bn in June 2025, reinforcing the broader rise in FX market activity.

Recent reforms have sought to broaden the instruments and infrastructure available to market participants. The Bank of Uganda has signed International Swaps and Derivatives Association agreements with commercial banks and began using FX swaps for open-market operations in December 2025. The domestic FX swap market has also expanded, with turnover excluding Bank of Uganda operations rising by more than 50% in the year to June 2026.

The central bank is also developing a domestic FX swap curve with the London Stock Exchange Group, which should provide a more transparent benchmark for pricing and support further development of the derivatives market. Uganda has adopted a domestic FX Code of Conduct based on the Global FX Code, while the Bank of Uganda's Statement of Commitment was added to the Global FX Code

register in November 2025.

These developments accompany already strong institutional conditions. Uganda scores 97 for FX arrangements and controls and receives a perfect score for reporting standards.

Reserve adequacy, however, remains the country's main weakness in the pillar. Uganda scores 37 on this measure, with reserves covering just under three months of imports. Nominal reserves have nevertheless increased substantially, while initiatives such as the domestic gold purchase programme and expected FX earnings from commercial oil production could provide additional sources of reserve accumulation.

Reserve buffers boost scores

Reserve positions strengthened across much of the index in the 2026 edition, with 16 countries recording higher reserve adequacy scores. However, the level of protection against external shocks continues to vary considerably across AFMI countries (Figure 2.2).

Some of the strongest reserve positions are concentrated in West Africa. Because reserve adequacy scores are harmonised and capped at 100, countries can receive the same maximum score despite having different levels of import coverage. Benin, Côte d'Ivoire and Senegal each receive full marks for reserve adequacy, with reserves equivalent to around seven months of imports. Nigeria also receives the maximum score, with import cover of around nine months. Cabo Verde reaches the maximum score as well, supported by import coverage of approximately eight months.

Ghana records another significant improvement. Its reserve adequacy score rises to 77 from 43, as import coverage increased to more than five months. The improvement follows efforts to rebuild external buffers including the 2025 establishment of the Ghana Gold Board and purchases of locally produced artisanal and small-scale mining gold under the Bank of Ghana's domestic gold purchase programme. These measures have supported the accumulation of FX reserves and strengthened reserve

RESERVE POSITIONS STRENGTHENED ACROSS MUCH OF THE INDEX IN THE 2026 EDITION, WITH 16 COUNTRIES RECORDING HIGHER RESERVE ADEQUACY SCORES.

management. Lesotho also performs strongly, with its score rising to 98 as reserves increase to almost seven months of imports.

In terms of raw import coverage, Mauritius holds the largest reserve buffer in the index, with reserves equivalent to nearly 13 months of imports. Nigeria holds around nine months of import cover, while Angola, Cabo Verde and the West African Economic and Monetary Union economies also hold relatively large buffers.

However, reserve positions remain vulnerable in some parts of the continent. For instance, seven AFMI countries have less than three months of import coverage. Malawi remains the weakest, with reserves covering less than one month of imports, followed by Zimbabwe and Ethiopia. Mozambique, the Democratic Republic of Congo, Eswatini and Uganda also remain below the three-month threshold.

Reserve adequacy deteriorated particularly in Namibia and Tunisia, where scores fall by around 17 points, as well as in Cameroon, Rwanda and Botswana. These movements illustrate

the continuing sensitivity of external buffers to import demand, foreign currency earnings and international financing conditions.

High reserve coverage alone does not guarantee strong FX access. Angola, for example, receives full marks for reserve adequacy but ranks 16th in Pillar 2 because interbank liquidity remains limited and its score for FX arrangements and controls is relatively low. The strongest markets combine adequate buffers with accessible, liquid and transparent FX systems.

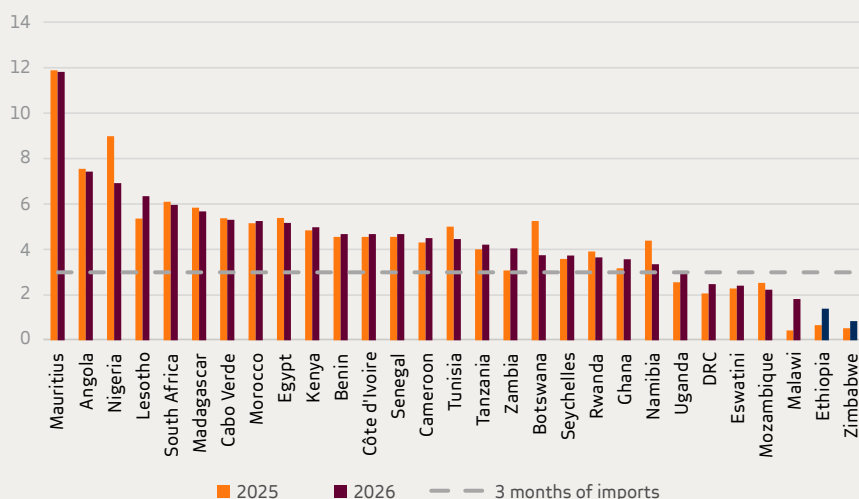
Interbank liquidity remains concentrated

Deep and active interbank markets are important for investors seeking to enter or exit domestic financial markets. They support price discovery, reduce convertibility risks and provide the foundations for FX derivatives and other hedging instruments.

Liquidity nevertheless remains highly uneven across AFMI countries. South Africa continues to dominate the measure, receiving full marks with annual interbank FX turnover of more than \$1.8tn, equivalent to

2.2. SEVEN COUNTRIES WITH RESERVES BELOW THREE MONTHS OF IMPORTS

FX reserves, months of imports



Source: IMF, OMFIF analysis. Note: Boundaries are taken from an external source and do not imply any judgment on the legal status or endorsement of such boundaries.

TEN YEARS OF THE INDEX SHOW THAT STRONGER FX MARKETS DEPEND NOT ON A SINGLE POLICY MEASURE, BUT ON COMBINING OPENNESS, LIQUIDITY, TRANSPARENCY AND ADEQUATE BUFFERS.

around 755% of trade. Madagascar also receives full marks, with turnover equivalent to more than five times its annual trade.

Nigeria also has a relatively deep FX market, with turnover equivalent to 141% of trade, while Kenya records 89%. Beyond these economies, activity drops sharply especially in Morocco and Egypt where the turnover is equivalent to around 36% to 38% of trade, while Ghana records around 26%. Many AFMI economies remain close to the minimum score for FX liquidity.

Uganda records the largest improvement in FX liquidity, with its score rising by 16 points to 91. By contrast, liquidity scores fall in Ghana, Morocco, Angola and Mauritius.

A wide dispersion in scores suggests that developing a genuinely two-way interbank market remains one of the largest structural challenges for FX market development across the continent. Formal openness is less useful to international investors if sufficient foreign currency cannot be accessed at transparent market prices.

Transparency becomes a common strength

Reporting standards remain the strongest and most consistent component of Pillar 2. All AFMI countries report exchange rate data daily, although differences remain in how quickly the latest observations are made available.

As many as 21 countries receive full marks for reporting standards in the 2026 edition of AFMI. A further seven score 90, while Tunisia scores 70 because of a longer reporting lag. Strong and timely exchange rate reporting improves price transparency and reduces uncertainty for domestic and international investors.

Survey responses did not identify any material disruption to the functioning of FX markets during the review period. This measure captures reported disruptive official actions rather than broader difficulties that firms or investors may experience in accessing foreign currency. FX arrangements and capital controls continue to differentiate countries more clearly. Higher scores reflect

more open FX arrangements and fewer restrictions affecting access to, and movement of, foreign currency. Uganda receives one of the highest scores at 97, followed by Egypt at 90, Kenya at 87 and Mauritius at 83.

Nigeria moves in the opposite direction. Its overall Pillar 2 score falls by 8 points to 70 despite receiving full marks for reserve adequacy and maintaining relatively high FX liquidity. The decline largely reflects its lower score for FX arrangements and controls, highlighting the importance of maintaining an open and predictable framework alongside adequate reserves and market liquidity.

A decade of progress in FX market development

Over the past decade, AFMI countries have made substantial progress in FX market transparency and openness, but the 2026 AFMI results show that the next phase of reform must focus on depth and resilience. South Africa's sustained performance illustrates the value of combining deep liquidity, strong reserve buffers and transparent reporting, while Uganda's rise shows how stronger market infrastructure and trading activity can improve access to foreign exchange.

Policy-makers should prioritise two-way interbank markets by strengthening market-making arrangements, settlement infrastructure and the legal frameworks needed for FX swaps, derivatives and close-out netting. This would improve price discovery and give investors more effective tools to manage currency risk. Countries with weaker reserve buffers should rebuild them through durable foreign currency earnings, diversified reserve accumulation and transparent intervention frameworks, rather than relying on administrative restrictions that can constrain market access. Wider adoption of the Global FX Code and timely publication of market data would reinforce these reforms.

Ten years of the index show that stronger FX markets depend not on a single policy measure, but on combining openness, liquidity, transparency and adequate buffers.



Uganda stands out in Pillar 2 with its improved access to foreign exchange and introduction to FX swaps, with Michael Atingi-Ego, governor of the Bank of Uganda.



UGANDA

► Uganda has returned to second place in Pillar 2 this year. Which policy and market reforms have contributed most to this sustained performance, particularly in improving access to FX and maintaining an open and well-functioning FX market?

Uganda's strong performance under Pillar 2 reflects a long-standing commitment to a market-based, liberalised FX regime, supported by prudent macroeconomic management and continuous financial market development. The bank's interventions are limited to smoothing excessive volatility and accumulating reserves when market conditions permit, thereby preserving efficient price formation and investor confidence. Reforms have included adoption of the FX Global Code, implementation of International Swaps and Derivatives Association-based contractual frameworks and the Financial Institutions (Preference and Appraised Book Value) Regulations, 2019, which have advanced the domestic derivatives market. Together with FX swaps, cross-currency repurchase arrangements and other FX liquidity solutions, these reforms have deepened market liquidity and ensured reliable access to FX for businesses and investors.

► Uganda scores particularly strongly on FX liquidity in 2026. How have recent reforms, including the introduction of FX swaps and measures to deepen the interbank market improved liquidity, price discovery and investors' access to foreign currency?

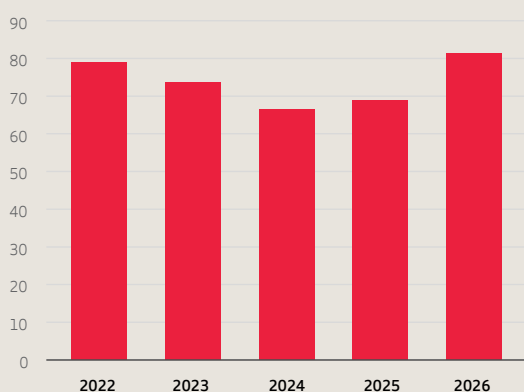
Developing the FX swap market has significantly strengthened liquidity management, risk management and price discovery in the FX market. FX swaps provide market participants with an

effective mechanism for managing liquidity needs and hedging exchange-rate exposures, reducing the need to liquidate underlying investments during periods of market uncertainty. The BoU's use of FX swaps for monetary policy operations has deepened the interbank market and broadened participation by local and offshore counterparties. Annual FX swap turnover increased by 168%, from \$10.3bn in June 2022 to \$27.5bn in June 2026. Increased activity has also enabled publication of Uganda's first daily FX Swap Curve, enhancing pricing transparency, supporting efficient market functioning and improving investors' access to foreign currency.

► Reserve adequacy remains Uganda's weakest Pillar 2 indicator despite strong scores elsewhere. What measures are being taken to strengthen the reserve buffer without restricting access to FX?

Uganda is strengthening its reserves while maintaining a flexible exchange rate and open access to FX. Gross international reserves increased by 64%, from \$4.1bn in June 2022 to \$6.7bn in June 2026, supported by stronger FX inflows and proactive reserve accumulation. We have introduced alternative instruments for managing FX liquidity and volatility, reducing reliance on outright FX sales and helping conserve reserves. These measures complement the Domestic Gold Purchase Programme and cross-currency repurchase arrangements, which support reserve adequacy without disrupting market functioning. Reserves are expected to benefit from more diversified sources of FX, including gold, remittances, foreign direct investment, oil-sector inflows and increased value addition to exports, thereby strengthening external resilience.

UGANDA FIVE-YEAR PILLAR 2 SCORES



Source: OMFIF analysis



Kampala, Uganda

'UGANDA IS STRENGTHENING ITS RESERVES WHILE MAINTAINING A FLEXIBLE EXCHANGE RATE AND OPEN ACCESS TO FX.'

PILLAR 3:

MARKET TRANSPARENCY



Fishing boat, Sao Tome

Pillar 3 assesses the transparency of financial markets with respect to monetary policy, fiscal and macroeconomic data, and whether investors receive reliable information, including credit ratings.

KEY FINDINGS:

1. Fourteen countries saw increased scores, with notable gains in macroeconomic data transparency. However, most scores in Pillar 3 indicators remained largely unchanged.
2. The biggest variations were seen in sovereign credit ratings, with Morocco, Cabo Verde, Tanzania and Uganda recording big improvements.
3. Initiatives in several countries aim to make data more accessible, timely and comparable, making progress not only in the availability but also in the usability of data.

3.1. THE PRIMARY DEALER SYSTEM IMPROVED SEVERAL ECONOMIES' SCORES

Pillar 3 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	FINANCIAL TRANSPARENCY	SOVEREIGN CREDIT RATINGS	CORPORATE CREDIT RATINGS	MONETARY POLICY TRANSPARENCY	FISCAL TRANSPARENCY	MACRO DATA TRANSPARENCY
SOUTH AFRICA	100	- 0	100	100	100	100	100	100
KENYA	100	- 0	100	100	97	100	100	100
EGYPT	93	- 0	100	100	60	100	100	100
GHANA	90	▼ -1	100	100	40	100	100	98
NIGERIA	88	▼ -5	100	70	100	55	100	100
UGANDA	87	▲ 5	100	70	53	100	100	100
TANZANIA	85	▲ 5	100	70	40	100	100	100
ZAMBIA	84	▲ 1	100	70	34	100	100	100
MAURITIUS	83	- 0	100	40	100	55	100	100
MOROCCO	82	▲ 7	100	100	36	55	100	100
NAMIBIA	80	▼ -7	55	70	52	100	100	100
BOTSWANA	79	- 0	100	70	50	55	100	100
ANGOLA	73	▲ 7	100	70	14	55	100	100
RWANDA	70	- 0	55	70	43	55	100	99
ZIMBABWE	68	- 0	100	10	60	55	100	84
SEYCHELLES	68	- 0	100	40	10	55	100	100
LESOTHO	66	▲ 1	100	40	10	55	100	93
TUNISIA	65	▼ -5	55	40	42	55	100	100
MOZAMBIQUE	64	▼ -10	55	40	33	55	100	100
SENEGAL	64	- 0	55	70	33	55	100	70
CAMEROON	63	▼ -5	55	70	30	55	100	68
MALAWI	63	▲ 2	100	10	30	55	100	83
MADAGASCAR	63	▲ 2	100	10	29	55	100	83
CÔTE D'IVOIRE	63	- 0	55	70	32	55	100	63
DRC	60	▼ -5	55	10	10	100	100	87
CABO VERDE	59	▲ 4	55	70	10	55	100	67
ETHIOPIA	59	- 0	100	70	29	10	100	47
BENIN	58	▼ -5	55	40	29	55	100	67
ESWATINI	51	▼ -9	55	10	29	55	100	60

Source: AFMI 2026 survey, London Stock Exchange Group Data and Analytics, national central banks, national finance ministries, OMFIF analysis

Note: Overall Pillar 3 scores represent the average score across each of the Pillar 3 indicators. Average scores may differ from those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in the 2025 AFMI report. More information on pp. 56-57.

TRANSPARENCY IMPROVED IN EIGHT COUNTRIES WHILE DECREASING IN THREE. MAURITIUS, MOROCCO, SEYCHELLES AND ZAMBIA INCREASED THEIR SCORES TO 100 ON THIS INDICATOR.

FOR 2026, AFMI's updated methodology refocuses the scope of Pillar 3 to cover market transparency, measured by financial, monetary policy, fiscal and macroeconomic data transparency, and to include sovereign and corporate credit ratings (see pages 56-57).

This year, Pillar 3 scores increased in 14 countries, with an overall improvement in macroeconomic data transparency. Sovereign credit ratings was the indicator with the largest variation, as four countries experienced large increases in their score, while seven saw declines. However, most scores for this pillar's indicators remain largely unchanged.

South Africa and Kenya remained in top position with scores of 100, benefitting from perfect scores in financial transparency, sovereign credit ratings and monetary policy transparency. Morocco and Angola were the biggest risers this year, up 7 points to 82 and 73 respectively. Morocco recorded significant increases in the number of sovereign and corporate credit ratings, while Angola increased its financial transparency score by disclosing information on domestic versus foreign ownership of domestic assets. Tanzania, Uganda and Cabo Verde also saw increases in their scores, supported by an overall rise in the number of sovereign credit ratings by international agencies such as S&P, Moody's and Fitch.

Mozambique fell by 10 points to 64 following a significant drop in its sovereign credit rating, as two of the three major agencies did not report a sovereign credit rating for the 12 months up to June 2026 (Figure 3.2). Similarly, Eswatini reported a 9-point decrease, with a marked decline in its scores for the sovereign credit rating and macroeconomic data transparency indicators. The Democratic Republic of Congo experienced a similar decline in the sovereign credit rating indicator, but unlike Eswatini, this was cushioned by an increase in macroeconomic data transparency.

Mixed developments in credit ratings

Although the sovereign credit ratings indicator remained unchanged for most AFMI countries, some experienced

large movements in this area. Morocco gained an additional sovereign credit rating and returned to investment grade after S&P upgraded its long- and short-term sovereign ratings to BBB- in September 2025, reaffirming them in March 2026 with a stable outlook. The decision was made after considering the outperformance in economic growth for 2025, the solid buffers to navigate potential economic shocks and fiscal pressures, and the expected boost to the agricultural and tourism sectors.

Corporate credit quality also benefitted from Morocco's sovereign improvement, with S&P upgrading OCP – Morocco's state-owned phosphate giant – to BBB- following the country's return to investment grade. The country also increased the number of corporate credit ratings issued by the three international rating agencies to 27, up from 16 last year.

Cabo Verde gained an additional sovereign credit rating, and S&P raised its long-term local and foreign-currency ratings to B+ in February 2026, highlighting rapid economic growth, strong tourism and remittance inflows, and improved public finances. In addition, Fitch revised its outlook to positive in April 2026, affirming its B rating, and reflecting continued fiscal consolidation and a robust growth outlook.

Uganda and Tanzania also recorded positive momentum, each gaining one additional sovereign credit rating. S&P revised Uganda's sovereign outlook from stable to positive, following stronger growth and per capita income forecasts, as well as favourable terms of trade. A survey respondent also mentioned improvements in the rating infrastructure and domestic rating coverage, as ICRA Ratings Uganda expanded to 10 rated entities. Fitch affirmed Tanzania's sovereign rating at B+ with a stable outlook in March 2026, reflecting relatively strong economic growth, low inflation and reforms to improve access to external funding under the International Monetary Fund programme.

In contrast, Mozambique not only lost two credit ratings during the reviewed period but was also downgraded by Fitch to CC in April 2026

amid intensifying debt restructuring risks. Persistent fiscal deficits and a deterioration of the financing environment further supported this decision. For the DRC and Eswatini, this indicator score declined in both countries after losing two and one sovereign credit rating, respectively. This does not necessarily indicate a deterioration in either country's investment grade, as the DRC has retained an S&P B- rating since January 2025, while Eswatini's Moody's rating has remained unchanged at B2 since November 2023.

On corporate credit ratings, AFMI countries experienced an overall increase in the international credit ratings to 581 this year, from 428 in 2025, while the number of local credit ratings improved modestly by 21, to 849 in 2026. Regarding local credit ratings, GCR Ratings reports activity in 22 of the 29 countries. In addition to Morocco, this indicator improved slightly in Tanzania and Namibia, while decreasing in Ghana. Nevertheless, it remained largely unchanged across most countries.

Advances in macroeconomic data

Macroeconomic data transparency improved in eight countries while decreasing in three. Mauritius, Morocco, Seychelles and Zambia increased their scores to 100 on this indicator. Most countries reported an improvement in the observation lag for gross domestic product statistics, with the average observation lag at three months after the observed period, on a quarterly basis. Of the 18 countries that remained unchanged, 12 already recorded perfect scores.

DRC reported the biggest improvement in this indicator, as the observation lags for both interest rate data and inflation decreased to less than a month. Malawi and Madagascar also reported an increase in their scores in this indicator. In Malawi, the observation lag for inflation data is just one month, down from a reported four months in the 2025 edition, while Madagascar benefitted from a clear reduction in the observation lag for its GDP statistics, which now aligns with the region's average of three months. In

3.2. ONLY FIVE COUNTRIES REPORTED SOVEREIGN RATINGS BY THE THREE AGENCIES

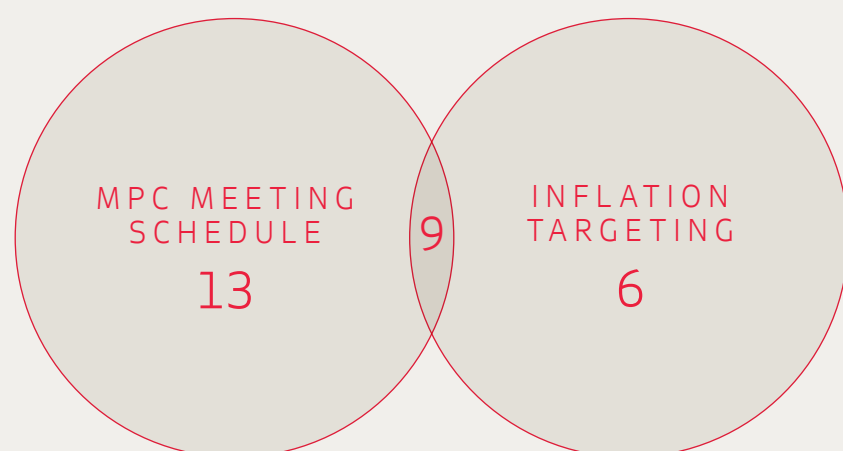
Number of sovereign ratings over the 12 months up to June 2026

COUNTRY	S&P	MOODY'S	FITCH	INTERNATIONAL RATINGS
ANGOLA	1	0	1	2
BENIN	0	0	1	1
BOTSWANA	1	1	0	2
CABO VERDE	1	0	1	2
CAMEROON	0	1	1	2
CÔTE D'IVOIRE	0	1	1	2
DRC	0	0	0	0
EGYPT	1	1	1	3
ESWATINI	0	0	0	0
ETHIOPIA	0	1	1	2
GHANA	1	1	1	3
KENYA	1	1	1	3
LESOTHO	0	0	1	1
MADAGASCAR	0	0	0	0
MALAWI	0	0	0	0
MAURITIUS	1	0	0	1
MOROCCO	1	1	1	3
MOZAMBIQUE	0	0	1	1
NAMIBIA	0	1	1	2
NIGERIA	1	0	1	2
RWANDA	0	1	1	2
SENEGAL	1	1	0	2
SEYCHELLES	0	0	1	1
SOUTH AFRICA	1	1	1	3
TANZANIA	0	1	1	2
TUNISIA	0	0	1	1
UGANDA	0	1	1	2
ZAMBIA	1	0	1	2
ZIMBABWE	0	0	0	0

Source: London Stock Exchange Group Data and Analytics, OMFIF analysis

3.3. MOST COUNTRIES HAVE AT LEAST ONE MEASURE OF MONETARY POLICY TRANSPARENCY

Monetary policy transparency indicators by number of countries of adoption



Source: AFMI 2026 survey, national central banks, OMFIF analysis

Note: The only country not included in this chart is Ethiopia, as it does not have an MPC meeting schedule or inflation targeting.

contrast, Eswatini recorded the largest decrease in this indicator, reporting a deterioration in the observation lag of interest rate data.

Pillar reframing

Regarding monetary policy transparency, this indicator was reallocated from Pillar 5 in past editions to Pillar 3 to better align with the pillar's overall objective of data disclosure and transparency. It was also refocused to include more useful information, such as maintaining the monetary policy committee's meeting schedule and adding inflation targeting as a new indicator. The inclusion of inflation targeting reflects its growing recognition as an effective monetary policy framework, supported by international evidence that a clear and credible inflation objective can help anchor inflation expectations, strengthen policy transparency and accountability, and enhance the effectiveness of monetary policy.

Of the 29 AFMI countries, 22 have a published MPC meeting schedule, with no changes from last year, while only 15 have inflation targeting (Figure 3.3). Of the countries that do not have

an inflation target in place, Angola, Morocco, Nigeria and Zimbabwe have expressed interest in moving towards this regime. Other countries, such as Cabo Verde, Cameroon and Eswatini, have exchange rate regimes in place. This framework can help provide monetary policy anchors, particularly in low-income economies, taking into account country-specific circumstances, including institutional capacity, exchange-rate pass-through, reserve adequacy, financial market depth and the effectiveness of monetary policy transmission.

Usefulness of market data disclosure

Transparency is more than the disclosure of information; it also relates to investors' ability to understand and use the information provided. Publishing a budget, a monetary policy calendar or dates and times for market reporting does not necessarily reduce information asymmetries or strengthen confidence on its own. Financial, monetary, fiscal and credit rating information needs to be assessed in terms of its breadth, quality and usability.

Survey responses show progress in building a more transparent architecture.

In addition to the ICRA Ratings Uganda expansion, the Uganda Securities Exchange received its first independent rating, and Tanzania is developing a framework to recognise and supervise credit rating agencies and opinion providers. These initiatives could lower costs and extend coverage to companies that are too small for international agencies. However, credibility requires transparent methodologies, independent governance, comparable rating scales and effective regulatory oversight. Local credit ratings agencies should also strengthen the publication of performance histories so investors can assess their reliability.

The same principle applies to macroeconomic, fiscal and monetary policy information. Data availability continues to improve, but the next step is to determine whether it is useful for decision-making. This means being timely, complete, granular and comparable. Uganda has introduced simplified monetary policy statements and plain-language frequently asked questions. At the same time, its planned central data hub and the Uganda Securities Exchange's data-accessibility platform should improve the collection and dissemination of market information; Tanzania's planned daily sovereign yield curve should similarly strengthen pricing transparency; and Ghana is upgrading its trading system with a bond module intended to improve price discovery and oversight.

Financial information disclosure also needs to move from formal requirements to credible implementation. Egypt has introduced electronic links between regulators and financial institutions for real-time and historical reporting, alongside new auditing and intangible-asset valuation standards, while Tunisia is progressing towards digital reporting. These reforms should produce better, more comparable data disclosures, earlier risk recognition, lower information costs and stronger investor confidence. An optimal transparent operating environment allows reliable information to reach investors in a usable form, enables the evaluation of rating opinions and allows risks to be recognised early, thereby supporting access to capital under better terms.



Kenya boosts perfect scores in several Pillar 3 components, including financial transparency, sovereign credit ratings and monetary policy. With Frank Mwiti, chief executive officer of the Nairobi Securities Exchange.



KENYA

► Kenya performs strongly in Pillar 3, which now covers credit-rating coverage and financial, monetary, fiscal and macroeconomic transparency. Which institutional reforms have contributed most to this performance?

Kenya's strength is the institutionalisation of transparency. The Public Finance Management Act anchors a predictable fiscal calendar, including the budget policy statement, quarterly budget reviews and debt management publications. The Central Bank of Kenya has reinforced this through a modernised monetary policy framework, regular Monetary Policy Committee communication and transparent market benchmarks, while Kenya's National Bureau of Statistics operates an advance release calendar. The Capital Markets Authority's disclosure and credit rating regulations further strengthen International Financial Reporting Standards-based reporting and market transparency. Coordination is practical rather than centralised: the macro working group aligns macro-fiscal assumptions across key agencies, while financial regulators collaborate through inter-agency forums. Together, these mechanisms improve consistency and investor confidence, while supporting better price discovery across Kenya's financial markets.

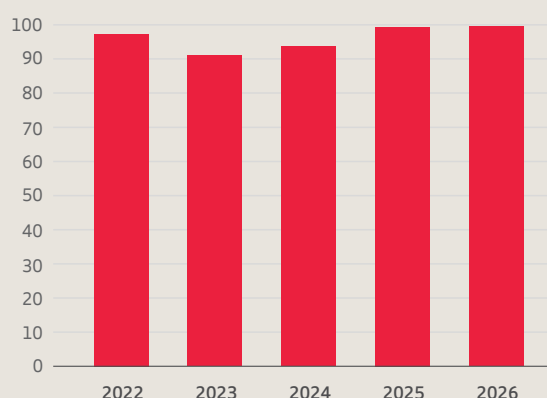
► What steps is Kenya taking to ensure that monetary, fiscal, macroeconomic and credit rating information is timely, sufficiently granular and comparable over time?

The focus is increasingly on predictable calendars, clear methodologies and richer datasets. The CBK publishes MPC decisions at least every two months, semi-annual monetary policy statements, monthly economic indicators and, since September 2025, the transaction-based KESONIA benchmark daily.

Kenya also maintains structured engagement with Moody's, S&P and Fitch, helping ensure rating agencies receive consistent and current sovereign information. The impact is visible in Kenya's capital market resurgence as market capitalisation rose 27.8% in the first half of 2026. Kenya's experience demonstrates that timely, comparable information can reduce uncertainty, and strengthen price discovery and liquidity.

► Corporate credit-rating coverage remains an important condition for expanding non-government issuance. What measures are being taken to increase the share of listed companies and corporate debt carrying publicly available, regularly updated ratings? Kenya now has an opportunity to make credit ratings part of the market's core infrastructure, rather than something applied only when a transaction requires it. The 2023 Credit Rating Agencies Regulations strengthened standards for methodology, independence, surveillance and public disclosure, while the CMA now recognises five approved ratings agencies. AFMI 2025 recorded increased corporate rating coverage in Kenya, against a 25% rise across AFMI markets to 428 ratings from 343. At the Nairobi Securities Exchange, we are embedding ratings earlier in issuer development programmes and across our pipeline of corporate bonds, sustainability instruments, securitisations and infrastructure-finance transactions. As the NSE's resurgence attracts more issuers and long-term capital, broader and regularly updated public ratings will be essential to improving risk transparency and expanding the investible universe for pension funds, insurers and other institutional investors. Ultimately, stronger ratings coverage will be critical to scaling Kenya's non-government debt market.

KENYA FIVE-YEAR PILLAR 3 SCORES



Source: OMFIF analysis



Westlands, Nairobi, Kenya

'KENYA'S EXPERIENCE DEMONSTRATES THAT TIMELY, COMPARABLE INFORMATION CAN REDUCE UNCERTAINTY, AND STRENGTHEN PRICE DISCOVERY AND LIQUIDITY.'

PILLAR 4:

PENSION FUND DEVELOPMENT



Senior businessman, South Africa

Pillar 4 evaluates the potential for domestic institutional investors to drive capital markets growth based on the size of pension fund markets, both in per capita terms and relative to domestic market capitalisation.

KEY FINDINGS:

1. Pillar 4 performances diverged, as scores rose in 12 economies and fell in 14, with Mauritius recording the largest increase and Zimbabwe the sharpest decline.
2. Namibia and Eswatini lead the rankings, but Botswana records the highest pension fund assets per working-age person, at \$7,547.
3. Several countries are encouraging portfolio diversification and broadening pension coverage, which could accelerate asset accumulation and deepen domestic capital markets.

4.1. NAMIBIA AND ESWATINI LEAD THE RANKINGS

Pillar 4 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	PENSION FUND SIZE	PENSION FUND ASSETS TO DOMESTICALLY LISTED ASSETS
NAMIBIA	100	- 0	100	100
ESWATINI	100	- 0	100	100
SEYCHELLES	68	▲ 9	80	57
MAURITIUS	63	▲ 11	81	45
BOTSWANA	63	▼ -2	100	25
LESOTHO	62	▲ 1	25	100
SOUTH AFRICA	55	▲ 9	91	20
CABO VERDE	41	▲ 5	39	43
MOROCCO	38	▲ 1	36	39
TANZANIA	35	▼ -4	16	54
ZIMBABWE	32	▼ -25	16	49
KENYA	30	- 0	22	37
UGANDA	28	▼ -11	17	38
RWANDA	24	▼ -5	13	34
MALAWI	22	▲ 3	15	29
GHANA	20	▼ -2	17	23
CAMEROON	18	▼ -6	11	25
TUNISIA	17	- 0	16	18
NIGERIA	17	▼ -3	13	21
CÔTE D'IVOIRE	17	▲ 2	13	20
MOZAMBIQUE	15	▼ -1	10	19
ANGOLA	13	▼ -2	11	15
ZAMBIA	13	- 0	12	13
SENEGAL	12	- 0	10	13
EGYPT	11	- 0	11	12
ETHIOPIA	10	- 0	11	10
MADAGASCAR	10	- 0	10	10
BENIN	10	- 0	10	10
DRC	10	- 0	10	10

Source: AFMI survey 2026, Organisation for Economic Co-operation and Development, national central banks, national statistics, OMFIF analysis

Note: Overall Pillar 4 scores represent the average score across each of the Pillar 4 indicators. Average scores may differ to those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in the 2025 AFMI report. More information on pp. 56-57.

NO COUNTRY EXPERIENCED A SIGNIFICANT DECLINE IN ASSETS PER WORKING-AGE PERSON.

PILLAR 4 assesses the development of pension systems, focusing on the size of pension funds both per working-age person and as a share of domestic market capitalisation. A larger pension industry across AFMI countries would widen access to retirement savings, contribute to deeper capital markets and support growth. As long-term capital allocators, pension funds can also strengthen financial stability and fund projects whose returns take time to materialise.

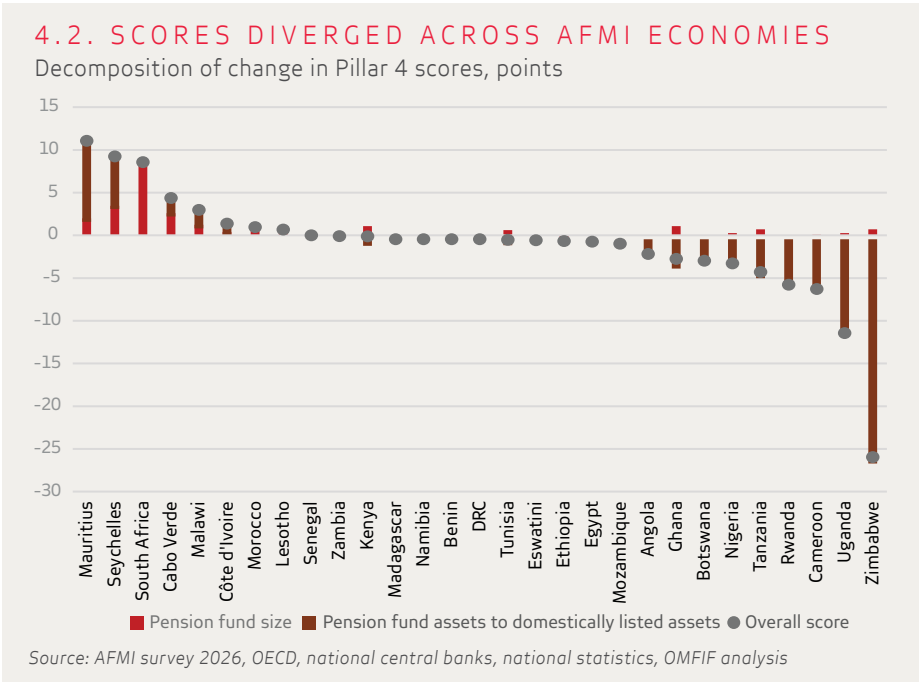
In this year’s edition of the index, Pillar 4 scores declined in 14 economies, primarily because pension fund assets fell relative to the value of domestically listed securities (Figure 4.2). Scores rose in 12 economies, with Namibia and Eswatini once again topping the ranking, as they have for at least five years. In previous years, Pillar 4 scores were liquidity-weighted, benefitting economies with more liquid markets. These weights have been removed this year because liquidity is already assessed in Pillar 1, while its effect on pension fund size is captured in the underlying scores.

Zimbabwe suffered substantial losses, falling 25 points to 32 and

dropping to 11th place. Pension assets grew more slowly than the equity market, whose valuation more than tripled. This is likely to be because land and buildings, which make up nearly half of pension funds’ portfolios, did not keep up with the valuations of listed equities. Even so, pension assets grew by \$850m to \$3.1bn, partially lifted by a substantial drop in interest rates. Uganda, Cameroon and Rwanda fell by 11, 6 and 5 points, respectively, as pension assets declined as a share of domestically listed securities. The lack of asset allocation data for these countries makes it hard to identify the factors behind these declines. In Botswana’s case, the inclusion of foreign-based, dual-listed companies in the Botswana Stock Exchange’s market capitalisation might understate the country’s score for the second indicator of Pillar 4.

Contractions in market capitalisation boosts scores

At the other end of the spectrum, Mauritius’ score rose by 11 points, while both Seychelles and South Africa increased by 9. For Mauritius and Seychelles, most of the gains reflected contractions in domestic market



capitalisation, though an increase in pension assets also contributed. The move in South Africa was a result of surging domestic equity valuations, which lifted pension assets by 28%.

On a per working-age person basis, pension assets rose in 22 countries in 2025. South Africa recorded the largest gain, with pension assets rising by \$948 per working-age person to \$4,513. Botswana's pension assets rose by \$762 per working-age person – bringing the measure to \$7,547, the highest among the 29 countries. The repatriation of offshore assets has increased the local allocation of funds and broadened the range of products available in capital markets. Namibia also saw a large increase, rising to \$5,637 per working-age person. Botswana, Namibia and Eswatini each achieved a perfect score on this measure. No country experienced a significant decline in assets per working-age person.

In nominal terms, total pension assets across AFMI economies increased by nearly \$70bn, equivalent to year-on-year growth of 24%. This was the largest annual increase in at least four years. South Africa's equity market rally accounts for most of this move, adding \$42bn in assets, while Kenya, Nigeria and Morocco also contributed. Ethiopia recorded a decline of more than \$1.2bn, bringing its pension assets down to just under \$3.4bn. This sharp fall reflects the continued weakness of the Ethiopian birr following the mid-2026 devaluation. No other economy saw a substantial decline. Overall, the improvement was broad-based: assets under management in the median economy increased by \$200m, almost twice the rise recorded in the 2025 edition of AFMI.

Diversification could deepen capital markets

The second indicator of Pillar 4 measures pension fund assets relative to domestic market capitalisation, capturing pension funds' contribution to capital markets development. Although diversification is not formally scored due to a lack of standardised asset class data across countries, it can further strengthen capital markets.

Pension portfolios remain relatively concentrated across Africa (Figure 4.3).

4.3. ALLOCATIONS IN BILLS AND BONDS REMAIN HIGH

Allocations by asset class, %

COUNTRY	BILLS AND BONDS	CASH AND DEPOSITS	EQUITIES	OTHER
ANGOLA	46	46	3	5
BOTSWANA	18	10	64	9
EGYPT	71	20	6	3
GHANA	85	11	3	2
KENYA	53	3	9	35
LESOTHO	36	15	44	5
MALAWI	25	8	64	3
MAURITIUS	26	6	38	30
MOROCCO	0	0	39	60
MOZAMBIQUE	85	11	2	3
NAMIBIA	23	7	39	31
NIGERIA	74	12	11	3
ZAMBIA	36	13	22	28
ZIMBABWE	2	6	24	69

Source: OECD Asset allocation of pension funds and other pension providers for 2024

Note: Due to data availability, 2023 data is used for Ghana and Mauritius. The table includes only AFMI countries for which asset allocation data are available. The 'Other' category consists primarily of mutual funds in Morocco and land and buildings in Zimbabwe.

SOUTH AFRICA RECORDED THE LARGEST GAIN, WITH PENSION ASSETS RISING BY \$948 PER WORKING-AGE PERSON TO \$4,513.

Funds hold, on average, more than half of their assets in bills, bonds and cash, while only around one-quarter is invested in equities, according to the Organisation of Economic Co-operation and Development Africa Capital Markets Report. Government securities should remain an important component of pension portfolios, but directing more capital towards other asset classes could help deepen those markets.

The limited availability of suitable domestic investments remains a major barrier. Concentrated ownership, low liquidity and relatively few listed companies restrict access to high-quality equities. In Ghana, Nigeria and Tanzania, corporations hold more than half of listed equities, while domestic institutional investors account for less than 5%. Greater institutional



BOTSWANA'S PENSION ASSETS ROSE BY \$762 PER WORKING-AGE PERSON – BRINGING THE MEASURE TO \$7,547, THE HIGHEST AMONG THE 29 COUNTRIES.

participation could deepen equity markets and strengthen corporate governance, while pension funds could provide stable demand for underdeveloped corporate bond and alternative-asset markets. Political stability also matters: the OECD links it to the relatively high equity allocations in Namibia, Malawi, Lesotho, Botswana and Mauritius. Nonetheless, the latter two hold substantial overseas portfolios, which limit their contribution to domestic markets.

Several countries are taking steps to encourage diversification. In Ghana, government securities declined as a share of total assets to 63% in 2025, from 73% in 2024. The regulator has also required pension funds to allocate at least 5% of their assets to private equity and venture capital by 2026. According to a survey respondent, this requires building investors' capacity to evaluate suitable investments. Kenya similarly reported greater diversification in 2025, when government securities represented 46% of AuM. Nigeria has

also raised equity allocation ceilings across several retirement savings funds. This could be particularly effective, as equity allocations are near investment limits for most schemes.

The composition of pension assets matters as much as their size, as greater investment in underdeveloped market segments can help deepen them. Policy should therefore promote diversification not as an end in itself, but by creating conditions that broaden viable investment opportunities. This requires expanding the supply, liquidity and quality of domestic assets and, where appropriate, easing investment limits.

Flexible pensions for irregular incomes

Survey respondents across several AFMI economies report that pension coverage remains concentrated among formal sector employees. Workers with irregular incomes usually lack access to employer-sponsored schemes and may struggle to meet fixed monthly contributions. This leaves them with

limited retirement income, while inhibiting the development of domestic capital markets.

Recent reforms increasingly recognise the need for more flexible schemes. Zambia's 2026 pension reforms established sub-schemes tailored to informal sector workers, offering flexible and voluntary contribution options. Because informal workers often have irregular incomes, a one-size-fits-all model designed around formal employment is unlikely to raise participation. The reforms also allow contributors to receive part of their pension early as a lump-sum payout, giving them greater control over their finances before or upon leaving employment. However, as the reforms were enacted only in June 2026, it is too early to assess their impact on pension participation and savings.

Uganda's National Social Security Fund is similarly scaling up SmartLife Flexi, a voluntary retirement savings product, through nationwide outreach and digital channels. The scheme allows participants to choose how much and when to save, while their balances earn monthly returns. By mid-2025, SmartLife Flexi had accumulated more than \$7.6m.

South Africa's Two-Pot Retirement System, introduced in 2024, allows participants limited access to savings for emergencies while requiring the bulk of new contributions to remain invested until retirement. Crucially, it ended full withdrawals of these contributions when changing jobs – a practice that had depleted pension assets. Rwanda's Ejo Heza, a voluntary, government-sponsored long-term savings scheme, has likewise expanded participation and savings, while Kenya's Haba Haba has struggled to translate registrations into active contributions.

These approaches better align pension saving with irregular earnings, but flexibility cannot overcome low incomes, limited financial literacy or mistrust alone. Coverage reforms must also encourage sustained contributions and expand the supply of high-quality investment products. Together, these measures can promote asset accumulation and strengthen retirement income.



Reflecting on a decade of pension fund development in Namibia, with Tiaan Bazuin, chief executive officer at Namibia Securities Exchange.

NAMIBIA

► *In Namibia, one of sub-Saharan Africa's largest pension industries, which policies and regulatory decisions have contributed most to its growth, and how have pension funds supported domestic capital market development?*

Namibia's strong pension-fund industry has been built over decades through formal retirement saving, institutional investors and a supportive regulatory framework. Regulation 13 has helped retain a meaningful pool of long-term capital within Namibia.

The development of institutional capital has demonstrated that meaningful capital can be raised through a relatively small exchange. Transactions such as the Mobile Telecommunications initial public offering, which raised N\$2.54bn, and the Standard Bank Namibia and Capricorn Group listings show the market's ability to mobilise significant capital. More recent transactions and bond issuances further illustrate the opportunities available. For investors, this creates opportunities to identify companies and sectors at earlier stages of development, potentially capturing capital growth that may be less accessible in mature, larger markets.

► *What evidence is there that Namibia's domestic asset requirement has supported capital markets development and productive investment, and how has greater domestic concentration affected pension funds' risk-adjusted returns?*

Domestic asset requirements have helped create a considerable pool of long-term institutional capital to be invested in Namibia. This provides an important foundation for government and corporate funding and gives issuers greater confidence in the domestic capital available to support new opportunities. However, the longer-term measure of success should be whether capital can be deployed

productively. This requires a continuous pipeline of investable opportunities.

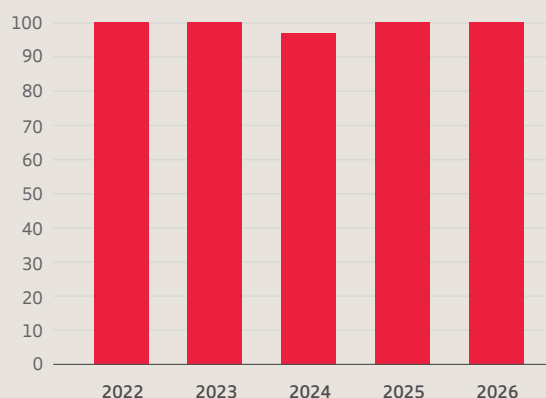
However, it is difficult to attribute pension fund returns to domestic investment alone. From the NSX's perspective, the more important question is whether investors are actively researching the opportunities available in smaller markets rather than assessing markets purely by size or liquidity. The objective is rather better-informed capital allocation that enables pension funds to participate in growth opportunities while protecting members' long-term interests.

► *What does Namibia's experience mean for the broader region and what are the priorities for the next phase of pension fund and capital markets development in Namibia?*

Namibia demonstrates that smaller markets can connect long-term institutional capital with emerging opportunities. However, this requires appropriate regulation, strong disclosure, efficient trading and settlement infrastructure. For the region, the opportunity is to develop interconnected markets that allow institutional investors to research and access a broader range of opportunities across Africa.

The priority now is to continue developing prospects through which capital can contribute to long-term economic and investment growth. The NSX is strengthening the market infrastructure through the implementation of the central securities depository and the dematerialisation of the market, which will improve settlement, custody, transparency and operational efficiency. The introduction of on-market trading of corporate bonds will further enhance transparency and provide greater visibility of pricing and trading activity.

NAMIBIA FIVE-YEAR PILLAR 4 SCORES



Source: OMFIF analysis



Windhoek, Namibia

'NAMIBIA DEMONSTRATES THAT SMALLER MARKETS CAN CONNECT LONG-TERM INSTITUTIONAL CAPITAL WITH EMERGING OPPORTUNITIES.'

IN FOCUS

BEYOND CASH: AFRICA GOES MOBILE

Mobile money is expanding access to financial services across AFMI countries on an unprecedented scale, transforming how people manage money and participate in the economy.

FOR decades, opening a bank account has been difficult for low-income individuals and people living in remote areas across Africa. In 2011, less than a third of adults in the region reported having an account, according to the World Bank's Global Findex. By 2024, more than half did. At the heart of this transformation has been the emergence of mobile money accounts. In sub-Saharan Africa, where more detailed data are available, mobile money accounts are now the most widely held type of account. How has this technology reshaped the region's financial services landscape, and where does it fall short?

A CATALYST FOR FINANCIAL INCLUSION

Digital payment services facilitate transactions by allowing individuals to transfer money and access savings and investment products. They can reach people in remote areas where physical financial services remain inaccessible. Yet digital wallets linked to traditional bank accounts can be costly. Mobile money accounts offer a more affordable and accessible alternative, as they can operate on basic-feature phones and do not require a smartphone.

These accounts have proved highly effective in expanding financial inclusion. The proportion of adults with a mobile money wallet has quadrupled over the past decade to 40%. In Kenya, 87% of adults use a mobile money account – almost twice the share of adults who hold a traditional bank account. According to Christian Stadler, professor at the University of Warwick, nearly 60% of Kenya's gross domestic product flows through M-Pesa, Kenya's largest mobile money provider.

Mobile money continues to drive account ownership across the region. Twenty-six AFMI economies are implementing initiatives to expand access to mobile wallets and payment services. Such policies could be particularly impactful in countries where account ownership remains low. In Madagascar, for example, 76% of adults have neither a bank account nor a mobile money account, but measures are underway to support the expansion of mobile money agent networks.

MOBILE MONEY WALLETS IN ACTION

Digital payments can reduce the risks associated with carrying cash and create verifiable records of transactions. In 2024, more than half of adults in sub-Saharan Africa

made or received a digital payment, up from 28% in 2014, according to the World Bank. Nevertheless, only around one-fifth of adults made a digital merchant payment, with usage considerably lower among poorer and rural adults. The habit of paying in cash remains the most frequently cited barrier. Approximately half of government-transfer and private-sector wage recipients are now paid digitally, while digital payment of utility bills is also picking up. In 2025, Kenya launched its first national financial inclusion strategy, which sets a target for sharply reducing person-to-person mobile money transaction costs.

Mobile money accounts can also help households smooth consumption by providing more accessible ways to save. The proportion of adults saving formally in sub-Saharan Africa has doubled over the past decade to 35%. In Ghana, Yello Save allows users to schedule transfers from mobile money wallets into savings accounts, while Pesewa Susu automatically collects small residual wallet balances. Similarly, Uganda's MoPesa and SuperSaver provide phone-based access to interest-bearing savings accounts.

Mobile wallets could have a more material impact on capital markets by expanding retail investment, and several recent initiatives are moving in this direction. In Kenya, M-Pesa-linked money market funds have mobilised substantial retail assets. For instance, Ziidi accumulated more than \$100m in assets under management within a year of its launch in late 2024. Uganda's Yinvesta similarly provides access to a regulated unit trust from as little as 1,000 Ugandan shillings, although it is too early to assess its impact. In Tanzania, linking mobile money wallets directly to central securities depository accounts raised retail activity on the Dar es Salaam Stock Exchange.

TURNING ACCESS INTO DEEPER PARTICIPATION

Despite their success in expanding account ownership, mobile money accounts remain less accessible to low-income individuals and have yet to transform saving and investment in some markets.

Insufficient funds are the most frequently cited barrier to both bank and mobile money account ownership. In Ethiopia, 72% of adults without a mobile money account identify this as a reason. Fees and taxes on digital payment services further raise costs. Greater competition, infrastructure investment and partnerships between mobile



THE PROPORTION
OF ADULTS SAVING
FORMALLY IN SUB-
SAHARAN AFRICA
HAS DOUBLED OVER
THE PAST DECADE
TO 35%.

money providers and banks could reduce these barriers. A survey respondent in Benin, for example, reported that bank-to-mobile-money interconnection had lowered transaction costs and widened access to financial services.

In several countries, wider mobile money use has not transformed saving and investment patterns. In Ghana, formal savings and investment products have gained little traction among lower-income groups despite wider mobile money penetration. Retail investors account for only 13% of market turnover, according to our estimates. Moreover, the increase in formal savings rates across sub-Saharan Africa has not raised the aggregate share of savers. In Malawi, limited financial literacy and a shortage of attractive products continue to push households towards informal savings channels.

Mobile money has already redrawn the boundaries of financial access across Africa. The next challenge is to convert that access into lasting financial security and deeper capital markets. Lower transaction costs, targeted financial literacy campaigns and more flexible products will be essential to turn millions of accounts into meaningful gains in saving and investment.

PILLAR 5:

MACROECONOMIC ENVIRONMENT



Suez Canal, Egypt

Pillar 5 assesses improvements in countries' macroeconomic conditions, including gross domestic product growth, inflation, external debt and non-performing loans.

KEY FINDINGS:

1. Scores increased for 20 countries, with all 29 AFMI economies boasting improvements in the GDP growth rate indicator.
2. Inflation fell for 18 countries, with Zimbabwe leading the way.
3. External debt as a share of gross domestic product also improved in 20 economies, while the non-performing loans ratio improved for 17.

5.1. UGANDA, DRC AND ZIMBABWE TAKE THE TOP SPOTS

Pillar 5 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	GDP GROWTH	INFLATION	NON-PERFORMING LOANS	EXTERNAL DEBT
UGANDA	96	▲ 3	93	94	96	100
DRC	91	▲ 15	90	85	90	100
ZIMBABWE	90	▲ 24	75	85	98	100
CÔTE D'IVOIRE	89	▲ 5	94	100	82	79
MAURITIUS	89	▲ 10	64	94	98	100
SEYCHELLES	88	▲ 9	60	100	91	100
TANZANIA	85	▼ -6	83	91	76	90
NAMIBIA	84	▲ 4	54	88	93	100
ESWATINI	82	▲ 4	50	100	80	100
ETHIOPIA	79	▼ -1	100	30	95	91
BENIN	79	▼ -4	97	100	93	25
SOUTH AFRICA	76	▼ -2	31	83	90	100
CAMEROON	73	▼ -1	58	100	35	100
LESOTHO	73	▲ 7	37	95	90	69
BOTSWANA	73	▼ -11	54	40	98	100
MOROCCO	71	▲ 5	67	100	74	42
CABO VERDE	68	▲ 12	87	100	75	10
KENYA	68	▼ -8	77	71	23	100
GHANA	67	▲ 21	72	81	16	100
MADAGASCAR	66	▲ 1	64	52	71	78
NIGERIA	65	▲ 4	59	30	73	100
ZAMBIA	63	▲ 10	73	70	100	10
SENEGAL	60	▲ 1	66	100	65	10
RWANDA	60	▼ -3	100	30	100	10
EGYPT	58	▲ 5	68	30	100	36
MALAWI	56	▲ 9	41	10	75	99
MOZAMBIQUE	49	▼ -3	54	61	72	10
ANGOLA	49	▲ 15	48	40	27	79
TUNISIA	40	▲ 4	36	81	33	10

Source: AFMI 2026 survey, International Monetary Fund, London Stock Exchange Group Data and Analytics, national central banks, OMFIF analysis

Note: Overall Pillar 5 scores represent the average score across each of the Pillar 5 indicators. Average scores may differ to those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in AFMI 2025 report. More information on pp. 56-57.

FOR 2026, AFMI's new methodology refocuses Pillar 5 to assess improvements in countries' macroeconomic conditions, including gross domestic product growth, inflation, external debt and non-performing loans (see pages 56-57). The economies in the index have remained resilient despite increased geopolitical risk and uncertainty in the last year. The war in the Middle East created sharp increases in commodity prices, which has led to a deteriorating macroeconomic environment worldwide, especially for food- and energy-importing nations in Africa. While AFMI economies have exhibited strong growth forecasts in the 2026 edition in a continuation of last year's trend – as well as decreases in external debt and NPLs – it is worth noting that the impact of the Middle East war may be felt in next year's index, due to time lags built into Pillar 5 indicators.

Uganda comes in first place this year with a score of 96, maintaining a strong performance across all four indicators that make up Pillar 5 and achieving a perfect score for external debt. A survey respondent from Uganda highlighted strong economic growth and commercial oil production as opportunities for the country, and vulnerability to weather shocks and external price volatility as challenges.

The Democratic Republic of Congo is in second place this year with a score of 91, climbing 10 spots from 12th place in the 2025 index, as per the updated methodology. This is primarily through improvements in the inflation rate. A similar story is observed for Zimbabwe, which rose 14 spots from 17th place to third place, due to improvements in the inflation rate. On the other hand, Mozambique, Angola and Tunisia take the bottom spots respectively, with Mozambique and Tunisia struggling with external debt, and Angola receiving low scores on the NPL indicator.

Growth remains robust despite headwinds

The GDP growth indicator rose in all 29 AFMI countries, with the forecasted median growth rate standing at 4.4% over the next five years (Figure 5.2), a slight increase from last year's

forecasted median of 4.2%. The resilience in these GDP forecasts is impressive in the face of current geopolitical, supply chain and weather challenges.

In keeping with last year's result, Ethiopia leads with the highest projected growth rate over the next five years at 8.4%, reflecting the benefits of the structural reform programme and gradual opening of the economy. Uganda and Rwanda, coming in at second and third place respectively, are two other countries worth highlighting in this category.

Uganda's projected growth rate is 7.1% over the next five years. A survey participant from Uganda attributed the growth to commercial oil production and regional integration, mentioning the African Exchanges Linkage Project and the East Africa and Horn of Africa Capital Markets and Payment Systems Integration Project as 'opening cross-border investment and attracting international investors' as well as Uganda's 'Tenfold Growth Strategy'. This strategy prioritises 'agro-industrialisation, tourism, mineral development, and science, technology and innovation', aiming to diversify Ugandan industry away

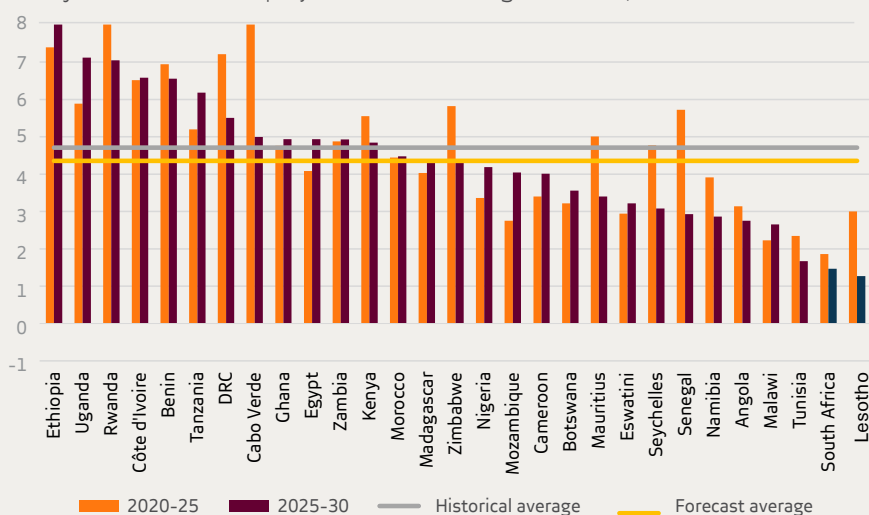
from raw commodities. It is expected to attract foreign direct investment. Rwanda's five-year projected GDP growth rate remains stable at 7%, with a survey respondent attributing this to opportunities in tourism and industrialisation, particularly manufacturing and construction.

On the other hand, Tunisia, South Africa and Lesotho occupy the bottom three positions, with economic growth expected to average below 2% for the next five years, remaining unchanged from the previous five years. A respondent from Tunisia highlighted geopolitical uncertainty and investment revival as key challenges faced by the country, while a respondent from South Africa similarly cited weak productivity and investment and vulnerability to oil and energy shocks. A respondent from Lesotho highlighted underdevelopment of infrastructure.

Limited access to small to medium-sized enterprise finance, inflation, skills shortages and climate risks were other challenges to growth commonly mentioned across AFMI countries. Cabo Verde, Madagascar, Mauritius, Mozambique, Rwanda and Uganda all cited climate change as a vulnerability, with a participant from Mozambique

5.2. STRONG GDP GROWTH FORECAST FOR AFMI ECONOMIES

Five-year historical and projected GDP annual growth rate, %



Source: International Monetary Fund, London Stock Exchange Group Data and Analytics

commenting that ‘frequent cyclones and floods damage infrastructure and disrupt livelihoods, with high exposure to climate-related shocks requiring resilient recovery strategies’. As AFMI economies maintain a large reliance on agriculture for domestic consumption as well as exports, access to climate finance is becoming increasingly important to insure the resilience of this sector.

Digital transformation of the financial sector represents both an opportunity and a challenge for AFMI countries (see pages 40-41). A survey participant from Kenya stated that, ‘Kenya is a global leader in mobile money and digital finance, and growing use of fintech, digital and robo-advisory platforms, crowdfunding and tokenised products can widen access and cut costs. This also deepens retail participation and supports innovative product development’. However, a participant from Mauritius stated that ‘digitalisation introduces evolving cyber and operational risks that must be managed to preserve confidence and stability’.

Inflation improves despite commodity price volatility

Inflation has either fallen or stayed the same for the majority of AFMI countries,

with the median inflation rate at 4.8% in June 2026. Maintaining price stability and keeping inflation at low levels are critical to strengthening investor confidence and attracting sustained foreign investment.

The standout country with regards to improvement in inflation is Zimbabwe, whose improvement in this area has helped it climb to third place in 2026 from 17th in this pillar, going from an inflation rate of 92.5% to 4.7%. Zimbabwe’s new gold and foreign reserve-backed currency, the ZiG, helped the country rein in inflation, paired with tighter monetary policy, exchange-rate stabilisation and fiscal discipline. These have ‘created a more conducive environment for long-term savings, investment and economic planning’, according to a survey participant from Zimbabwe.

While not as dramatic as Zimbabwe, Angola and Nigeria have also experienced notable decreases in inflation. Angola’s inflation dropped to 10.1% in June 2026 from 19.7% in June 2025, by following the central banking playbook of tighter monetary policy and currency stabilisation. Nigeria demonstrates improvement through a continued disinflationary trend over the

last two years, with the inflation rate decreasing by 9.4 percentage points since last year to 15.9%.

Botswana saw the most dramatic rise in inflation to 10.7% from 2%. This contributed to the country dropping to 15th place, from fourth. A survey participant from Botswana highlighted ‘persistent inflationary pressures, from global trade tension and imported inflation’ as a key challenge faced by the country.

Commodity price volatility is a significant challenge for many AFMI economies, and was mentioned by respondents from Egypt, Namibia, Ghana and Tanzania. Fluctuations in global commodity prices can disrupt supply chains and expose these economies to external economic shocks, which in turn create inflationary pressures, which have been acute over the course of 2026 with the closure of the Strait of Hormuz. A key policy recommendation is therefore to strengthen mechanisms for hedging against commodity price volatility, while diversifying export and production bases to reduce dependence on commodities. Such measures can also help stabilise exchange rates, particularly when complemented by sound macroeconomic policies and appropriate monetary tightening.

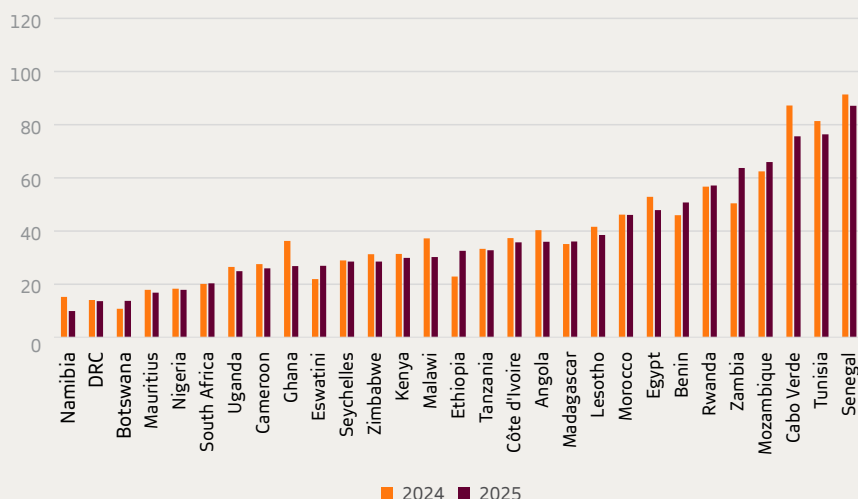
External debt falls for 20 AFMI economies

The external debt-to-GDP-ratio provides insight on a country’s ability to repay its debt. Lower ratios can support creditworthiness and may signal to lenders that a country has greater capacity to service its debt, potentially facilitating access to international financing. This is particularly important for AFMI economies, many of whom experience high debt ratios and rely on external financing. For the external debt-to-GDP ratio, the index uses the 2025 figures reported in the IMF’s Regional Economic Outlook.

The external debt-to-GDP ratio improved for 20 economies (Figure 5.3). Against a median of 32.5%, Namibia stands out as the AFMI country with the lowest debt-to-GDP ratio at 9.8%, followed by the DRC and Botswana at 13.6% and 13.7% respectively. The lowest scorers are Cabo Verde at 75.6%,

5.3. AFMI ECONOMIES RECORD IMPROVEMENTS IN EXTERNAL DEBT-TO-GDP RATIOS

External debt, 2024-25, (% of GDP)



Source: IMF Regional Economic Outlook

Tunisia at 76.4% and Senegal at 87.1%.

Following last year’s trend, Cabo Verde recorded the largest improvement, with 11.6 percentage point reduction in the ratio, followed by Ghana at 9.4 percentage points reduction. These gains reflect stronger fiscal discipline, while in Ghana, the IMF-supported reform programme and comprehensive debt restructuring have contributed to improved debt sustainability and stronger relations with bilateral and commercial creditors. In contrast, the biggest increases in external debt were seen in Zambia, up 13.3 percentage points to 63.7% and Ethiopia, up 9.7 percentage points to 32.5%. Zambia’s increase in external debt was driven by new foreign-currency disbursements, mainly from the IMF and World Bank, alongside the accumulation of interest arrears on foreign-currency debt.

According to the IMF, three AFMI countries are in debt distress (Ethiopia, Malawi and Zimbabwe) while four countries are at high risk of debt distress (Cameroon, Kenya, Mozambique and Zambia). It is important to note that a high debt-to-GDP ratio does not necessarily imply debt distress. Rwanda, for example, has a relatively high external debt-to-GDP ratio, but its strong debt-carrying capacity, sound policy framework and strong repayment record have helped keep its debt sustainable, despite a moderate risk of debt distress.

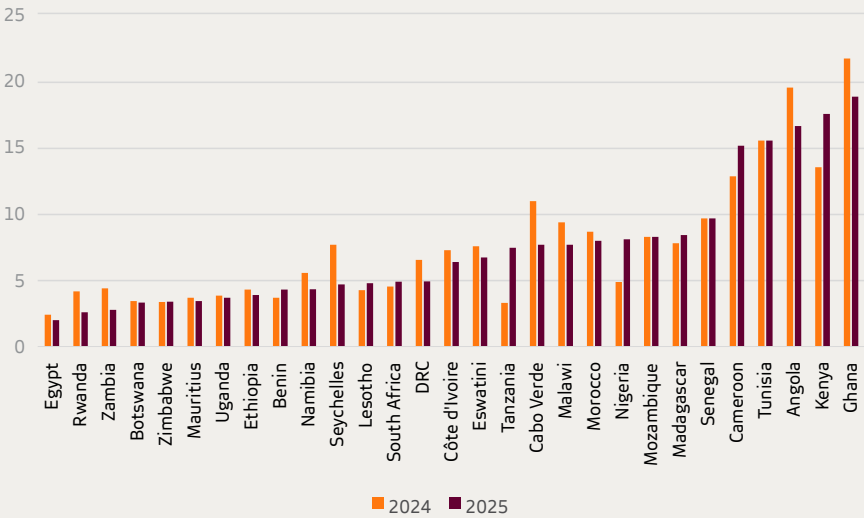
Banking sectors remain resilient in AFMI economies

The NPL ratio is the ratio of non-performing loans to gross loans. NPLs are those that are in default or at significant risk of default, placing pressure on the balance sheets of domestic banks. High levels of NPLs can constrain banks’ ability to extend new credit and reduce the availability of liquidity for investment in capital markets. As a result, NPLs are an important indicator of the health and stability of domestic banking sectors in AFMI economies.

The NPL ratio improved for 17 countries this year (Figure 5.4). The biggest improvements were seen in Cabo Verde, with an improvement of

5.4. NPL RATIO CHANGES IN AFMI ECONOMIES

NPL ratio, 2024-25, (% gross loans)



Source: IMF Financial Soundness Indicators



THE STANDOUT COUNTRY WITH REGARDS TO IMPROVEMENT IN INFLATION IS ZIMBABWE, WHOSE IMPROVEMENT IN THIS AREA HAS HELPED IT CLIMB TO THIRD PLACE IN 2026 FROM 17TH.

3.3 percentage points, and Seychelles, with an improvement of 3 percentage points. Benin and Tanzania reversed their improvements from last year, with Tanzania reporting the largest increase in NPL ratio at 4.2 percentage points followed by Kenya at 4 percentage points.

Egypt and Rwanda both earned top marks on this indicator, reflecting relatively low levels of NPLs in their banking sectors. The IMF reports a growth in asset quality for Egypt and continued strong credit growth for Rwanda. Ghana is the most affected economy, with the highest NPL ratio at 18.9%, alongside only marginal growth in credit, according to the IMF.

Looking forward, AFMI economies can reduce NPL ratios by enhancing loan monitoring, strengthening insolvency frameworks and developing more efficient markets for distressed assets. Other policy recommendations include strengthening fiscal management and pursuing prudent debt-reduction strategies to improve external debt-to-GDP ratios. Finally, AFMI economies can invest in climate resilience and diversify their economic bases to support long-term GDP growth while reducing their exposure to commodity price volatility.



Tanzania has seen impressive developments in its capital markets, demonstrated by soundness and resilience amid global shocks. With Tanzania's Capital Markets and Securities Authority.

TANZANIA

► *Tanzania performs strongly in Pillar 5, which covers gross domestic product growth rate, inflation, non-performing loans and external debt. Which policy and market reforms have contributed most to this sustained performance?*

Tanzania has sustained steady strides in macroeconomic performance over recent years, with a real GDP growth reaching 5.9% in 2025, increasing from 5.5% in 2024 and 5.1% in 2023. Through prudent fiscal and monetary policies, the country has also successfully kept inflation tight and maintained adequate foreign exchange reserves, resulting in financial sector stability. This stability has greatly contributed to investor confidence and robust financial market performance.

Tanzania's Development Vision 2050 recognises the need for vibrant capital markets, stronger public-private partnerships and innovative financing mechanisms to support long-term economic transformation. Tanzania's sustained growth is a blend of macroeconomic stability, infrastructure development, investment and business environment reforms, financial-sector strengthening, and diversification of productive sectors.

► *Tanzania has maintained relatively stable external debt levels over the last few years. Which practices have enabled the country to manage its external debt obligations effectively?*

In recent years, Tanzania has sustainably maintained and effectively managed external debt levels. This position is a demonstration of disciplined debt management rather than restricted borrowing. The government has been operating within the medium-term debt management strategy and annual borrowing plans, based on debt sustainability and cost-risk analysis. Concessional

financing and grants have been prioritised and non-concessional borrowing strictly channelled towards strategic and high-return investments after careful analysis.

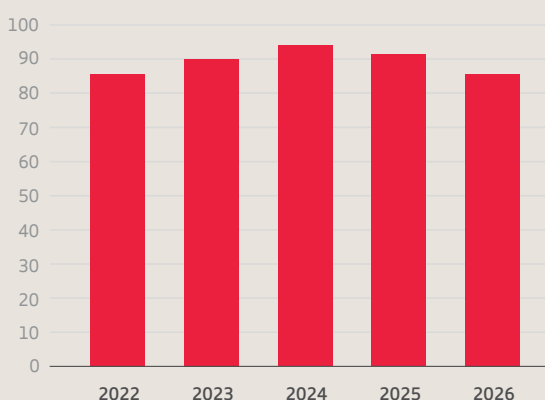
The government has also strengthened debt transparency, public investment management and the monitoring of contingent liabilities. Several reforms have been implemented to develop the domestic government securities market to diversify financing sources and reduce refinancing risks. These include the undertaking of the country's sovereign credit rating and elimination of restrictions on foreign investment in government securities.

► *Volatility in global commodity prices poses inflationary pressures for Tanzania. What measures is the country taking to safeguard against these external price shocks and limit their impact on domestic inflation?*

As Tanzania is exposed to shocks such as movements in international prices, the country is implementing a number of measures to safeguard against shocks and limit their impact on domestic inflation. Some of such measures are the Bank of Tanzania's pursuit of a prudent, forward-looking monetary policy with inflation below 5% over the medium term. The bank is also permitting a market-determined exchange rate while maintaining adequate FX reserves to prevent disorderly market conditions and absorb external shocks.

The government has increasingly opted for targeted interventions rather than broad-based subsidies, particularly when dealing with fuel and food price shocks. Strong export earnings from gold, agriculture and tourism strengthen FX availability adding to the buffer against external shocks.

TANZANIA FIVE-YEAR PILLAR 5 SCORES



Source: OMFIF analysis



Dar es Salaam Port Harbour, Tanzania

'TANZANIA'S DEVELOPMENT VISION 2050 RECOGNISES THE NEED FOR VIBRANT CAPITAL MARKETS, STRONGER PUBLIC-PRIVATE PARTNERSHIPS AND INNOVATIVE FINANCING MECHANISMS'

PILLAR 6:

LEGAL STANDARDS, TAX AND REGULATORY ENVIRONMENT

Brazzaville, Congo

Pillar 6 evaluates how AFMI countries align with international legal and contractual standards for financial markets, focusing on the enforceability of standard master agreements. It also focuses on financial sector resilience, the strength of tax and regulatory frameworks, and the integration of environmental, social and governance considerations.

KEY FINDINGS:

1. Mauritius, South Africa and Ghana receive high scores, with the Democratic Republic of Congo being the main mover with improvements in the measures for netting and collateral enforceability.
2. In total, 11 countries implemented climate stress tests, with Benin, Seychelles and Tanzania increasing their scores through this indicator this year.
3. International integration remains broadly stable, with limited changes in alignment with key international financial market standards, while large gaps persist between countries' tax regimes.

6.1. MAURITIUS AND SOUTH AFRICA ACHIEVE NEAR-PERFECT SCORES

Pillar 6 overall score and pillar indicators, max = 100

COUNTRY	2026 SCORE	CHANGE v. 2025	NETTING ENFORCEABILITY	COLLATERAL ENFORCEABILITY	INTERNATIONAL STANDARDS	ESG INITIATIVES	FINANCIAL STABILITY REGULATION	CORPORATE ACTION	REPORTING STANDARDS	TAX ENVIRONMENT
MAURITIUS	97	- 0	100	100	100	100	100	100	100	75
SOUTH AFRICA	96	- 0	100	100	100	100	100	100	100	69
GHANA	92	▲ 2	100	100	85	100	100	100	100	53
NIGERIA	84	- 0	100	100	70	100	55	100	100	48
RWANDA	81	- 0	100	100	10	100	100	100	100	42
ZAMBIA	78	▼ -6	100	100	55	100	33	100	100	36
KENYA	76	- 0	10	100	55	100	100	100	100	39
ZIMBABWE	71	▼ -1	100	10	10	100	100	100	100	47
UGANDA	69	- 0	10	100	55	100	55	100	100	34
MALAWI	69	▲ 11	100	100	55	10	55	100	100	33
TANZANIA	65	▲ 6	10	10	55	100	100	100	100	44
NAMIBIA	64	▲ 6	10	100	10	100	55	100	100	36
MOROCCO	63	- 0	10	10	55	100	100	100	53	77
EGYPT	61	- 0	10	10	55	100	100	100	40	72
BENIN	60	▲ 11	10	10	55	100	100	100	70	31
CABO VERDE	58	▲ 11	100	10	55	100	33	100	23	45
DRC	58	▲ 23	100	100	10	10	55	100	70	21
MOZAMBIQUE	56	▲ 11	100	100	10	10	33	100	70	26
BOTSWANA	54	- 0	10	10	10	100	55	100	100	51
TUNISIA	54	- 0	10	10	55	100	55	100	23	75
SENEGAL	50	- 0	10	10	55	55	55	100	70	44
CÔTE D'IVOIRE	49	- 0	10	10	55	55	55	100	70	34
CAMEROON	48	▲ 6	10	10	55	100	10	100	70	31
ANGOLA	45	- 0	10	10	55	55	55	100	40	35
ESWATINI	44	- 0	10	10	10	55	33	100	100	38
LESOTHO	43	▲ 11	100	100	10	10	33	10	70	15
ETHIOPIA	38	▼ -1	10	10	10	10	10	100	100	51
SEYCHELLES	37	▲ 6	10	10	10	10	100	100	10	50
MADAGASCAR	26	▲ 6	10	10	10	55	33	10	53	31

Source: AFMI 2026 survey, International Swaps and Derivatives Association, International Capital Market Association, International Securities Lending Association, OMFIF analysis, national central banks, Deloitte, PricewaterhouseCoopers

Note: Overall Pillar 6 scores represent the average score across each of the Pillar 6 indicators. Average scores may differ to those implied by the individual indicators shown due to rounding. Arrows (▲▼) reflect changes in scores to 1 decimal point. Scores from 2025 have been recalculated to incorporate any potential data revisions and the new scoring methodology, so they differ from those published in the 2025 AFMI report. More information on pp. 56-57.

AFMI’S updated methodology for the 2026 edition refocuses Pillar 6 to explore countries’ financial market legal and regulatory framework, measured by netting and collateral provisions, international standards, financial stability regulation, corporate action, ESG initiatives, reporting standards and tax environment (see pages 56–57). Mauritius and South Africa take the top two spots in 2026, mirroring 2025’s result, with Mauritius narrowly beating South Africa due to a strong performance in the tax environment indicator. Ghana retains the third spot this year, increasing its score to 92 in 2026 from 90 last year, due to an increase in the international standards indicator. In contrast, Seychelles and Madagascar once again are ranked at the bottom of Pillar 6, despite 6-point increases in both their scores from last year.

The biggest improvement was observed in the DRC, where improvements in netting and collateral provisions led to a score increase to 58 this year from 36 last year.

Progress on netting and collateral enforceability

The 2026 assessment shows close-out netting as enforceable in 12 AFMI jurisdictions, compared with seven in 2025 (Figure 6.2). The DRC provides the clearest new legal development, with the Banque Centrale du Congo highlighting domestic netting and set-off legislation. Cabo Verde, Malawi, Lesotho and Mozambique also made improvements.

Collateral enforceability also remained stable, with fewer countries recording changes. The DRC is the only country to move to a positive assessment this year, taking the number of AFMI jurisdictions where the financial collateral provisions of the Global Master Repurchase Agreement and the Credit Support Annex of the ISDA agreement are recognised under domestic law to 13 from 12. Clear legal treatment of close-out netting and collateral reduces counterparty exposure in a default or insolvency, supports more efficient use of capital and provides the foundations for deeper repurchase agreement and derivatives markets.

Survey responses show that legislation alone is not enough to



THE BIGGEST IMPROVEMENT WAS OBSERVED IN THE DRC, WHERE IMPROVEMENTS IN NETTING AND COLLATERAL PROVISIONS LED TO A SCORE INCREASE TO 58 THIS YEAR FROM 36 LAST YEAR.

6.2. CLOSE-OUT NETTING IS ENFORCEABLE IN 12 AFMI COUNTRIES		
Status of close-out netting enforceability and clean legal opinions		
COUNTRY	CLOSE-OUT NETTING ENFORCEABLE	CLEAN LEGAL OPINIONS
CABO VERDE	Yes	
DRC	Yes	
GHANA	Yes	ICMA, ISLA
LESOTHO	Yes	
MALAWI	Yes	
MAURITIUS	Yes	ISDA, ICMA, ISLA
MOZAMBIQUE	Yes	
NIGERIA	Yes	ISDA
RWANDA	Yes	
SOUTH AFRICA	Yes	ISDA, ICMA, ISLA
ZAMBIA	Yes	
ZIMBABWE	Yes	

Source: AFMI 2026 survey, ISDA, ICMA, ISLA, OMFIF analysis

Note: Close-out netting enforceability reflects whether netting for unperformed obligations is enforceable under domestic law, pre- and post-insolvency. Clean legal opinions refer to opinions issued by ISDA, ICMA and ISLA on the enforceability of the ISDA Master Agreement, GMRA and GMSLA, respectively.

drive adoption. Authorities continue to cite uncertainty around insolvency treatment, shallow repo and derivatives markets, documentation costs, and limited legal and operational capacity as barriers to wider use of ISDA, GMRA and GMSLA agreements. Several markets are responding with targeted reforms. Across east Africa, Kenya is developing a dedicated financial collateral framework, and Uganda is advancing a close-out netting framework after the Bank of Uganda executed ISDA and GMRA agreements with eligible commercial banks. In addition, Tanzania is pursuing legal and regulatory reform following work with the United Nations Economic Commission for Africa and Frontclear. In Benin, survey respondents highlighted work by La Banque Centrale des États de l’Afrique de l’Ouest and UMOA-Titres to promote harmonised repo documentation and training for banks across the West African Economic and Monetary Union. The next step is therefore not only to establish enforceability in law, but to translate legal certainty into broader adoption and market activity.

International integration remains broadly stable

AFMI countries continue to align domestic markets with international legal and regulatory standards, although changes in 2026 are limited. Mauritius and South Africa remain the strongest performers on international standards and the only AFMI countries with clean legal opinions from ISDA, ICMA and ISLA. Ghana is the main mover this year, receiving an ISLA legal opinion in addition to its existing ICMA opinion, taking its international standards score to 85 from 70 last year. Overall, four AFMI countries have at least one clean legal opinion. Separately, authorities in 18 AFMI jurisdictions are represented among signatories to the International Organization of Securities Commission multilateral memorandum of understanding, supporting information-sharing and cross-border regulatory co-operation.

Financial reporting standards are more widely established. International Financial Reporting Standards is required for domestic companies in

23 AFMI countries and permitted in a further four (Cabo Verde, Madagascar, Morocco and Tunisia), while two rely on local standards (Egypt and Seychelles). As many as 23 countries require or permit IFRS for foreign companies, and 17 extend IFRS requirements or permissions to small- to medium-sized enterprises. In total, 15 countries receive a perfect score for reporting standards.

Financial resilience bolstered by climate stress testing

The AFMI financial sector resilience indicator is comprised of two components: Basel stage designation and climate stress testing. All AFMI economies maintained their Basel stage designation from last year, with 21 economies operating at Basel stage 3.

Eleven countries implemented climate stress tests this year – Benin, Seychelles and Tanzania were new additions to this list (Figure 6.3). A respondent from Seychelles reported that, ‘In May 2026, the Central Bank of Seychelles published the results of its first banking sector climate risk assessments using stress testing techniques together with climate hazard projections and geographic exposure data to assess how climate shocks could affect banks and financial stability’. In Tanzania, a climate-related financial risk framework was implemented, requiring banks to conduct regular climate scenario analysis and stress testing. The Bank of Tanzania also conducted a sector-level assessment covering more than half of banking-sector assets, focusing on physical risks such as drought and flooding.

Three countries, Rwanda, South Africa and Uganda, mentioned the Network for Greening the Financial System as guiding their efforts for climate stress testing. A participant from Rwanda stated that, ‘A pilot climate risk stress test was conducted for Rwanda’s financial sector, covering four banks, three insurers and two MFIs... The results show that climate risks are material to financial stability, requiring stronger supervision, better data, and integration into regulatory frameworks.’ While Uganda has not carried out a climate stress test yet, the analytical framework required to support climate stress testing is being established at the central bank. Banco

de Moçambique is also progressing on this front, citing climate-related physical risks as a key consideration when designing scenarios for its macroprudential solvency stress testing framework.

Advancing ESG initiatives

Our survey results indicate that AFMI economies continue to incentivise

the issuance of ESG products and incorporate ESG considerations into financial market standards and regulations. Benin, Cameroon, Madagascar and Namibia made the most progress this year on ESG issuance incentives.

This year, 19 countries reported having policies in place to incentivise the issuance of ESG products. Benin’s

6.3. CLIMATE INITIATIVES ACROSS AFMI ECONOMIES

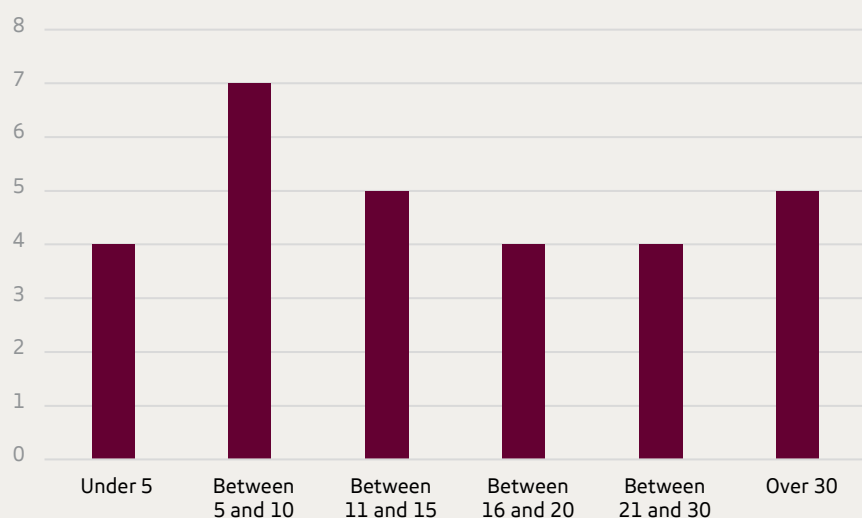
Status of climate stress tests, ESG issuance incentives, ESG standards incentives

COUNTRY	CLIMATE STRESS TESTS	ESG ISSUANCE INCENTIVES	ESG STANDARDS INCENTIVES
ANGOLA	No	No	Yes
BENIN	Yes	Yes	Yes
BOTSWANA	No	Yes	Yes
CABO VERDE	No	Yes	Yes
CAMEROON	No	Yes	Yes
CÔTE D'IVOIRE	No	No	Yes
DRC	No	No	No
EGYPT	Yes	Yes	Yes
ESWATINI	No	No	Yes
ETHIOPIA	No	No	No
GHANA	Yes	Yes	Yes
KENYA	Yes	Yes	Yes
LESOTHO	No	No	No
MADAGASCAR	No	Yes	No
MALAWI	No	No	No
MAURITIUS	Yes	Yes	Yes
MOROCCO	Yes	Yes	Yes
MOZAMBIQUE	No	No	No
NAMIBIA	No	Yes	Yes
NIGERIA	No	Yes	Yes
RWANDA	Yes	Yes	Yes
SENEGAL	No	No	Yes
SEYCHELLES	Yes	No	No
SOUTH AFRICA	Yes	Yes	Yes
TANZANIA	Yes	Yes	Yes
TUNISIA	No	Yes	Yes
UGANDA	No	Yes	Yes
ZAMBIA	No	Yes	Yes
ZIMBABWE	Yes	Yes	Yes

Source: AFMI 2026 survey, OMFIF analysis

6.4. MAJORITY OF AFMI ECONOMIES HAVE UNDER 15 TAX TREATIES

Distribution of AFMI countries by number of DTAs



Source: AFMI 2026 survey, Deloitte, PWC, National central banks, OMFIF analysis

ESG issuance architecture combines Autorité des Marchés Financiers de l'Union Monétaire Ouest Africaine's sustainable finance taxonomy with the Global Green Growth Institute and the West Africa Regional Stock Exchange's partnership launched in 2024 to build issuer capacity and scale thematic bond issuance.

Other countries are expanding efforts to raise ESG financing. Madagascar's 2026 sustainable-development financing strategy targets mobilising \$300m through thematic bonds, blended finance and carbon markets by 2028. This builds on a \$36.4m sustainability bond issued in late 2024. Namibia's Sustainable Finance Alliance, launched in September 2025, coordinates regulators, government bodies and financial institutions to promote sustainable finance.

Only seven AFMI countries continue to lack initiatives to incorporate ESG into financial market standards and regulation. Seychelles, for instance, is in the process of developing its sustainable finance taxonomy. Several countries have sharpened their ESG

frameworks, with Cabo Verde's 2026 sustainability taxonomy prioritising climate change mitigation and adaptation. Scaling ESG issuance will depend on credible sustainable finance taxonomies. These provide the common classification system needed to identify environmentally sustainable activities, helping issuers structure credible products and investors allocate capital with confidence.

Large gaps persist between countries' tax regimes

In terms of taxation, AFMI focuses on indicators most relevant to financial markets, namely withholding taxes on interest and dividends, and number of double taxation treaties, on which there was little movement over the year for most countries. Morocco's low average withholding tax on dividends and interest for non-residents at 10.6% and 55 DTAs increases its attractiveness to foreign investors and rewards the country with top spot in this component of the pillar this year.

Elsewhere, Rwanda updated its tax regime, with a survey participant from the country reporting that 'two

new double taxation agreements were concluded since June 2025 – with Hong Kong and Botswana – which introduce revised withholding tax rates on interest and dividends'. Tanzania also adjusted its regime to include the 'deemed dividend withholding tax on undistributed profits'. This reform effectively states that Tanzania may deem 30% of undistributed after-tax profits as distributed if not paid within 12 months, triggering a 10% withholding tax, to discourage companies from indefinitely retaining profits to avoid paying withholding tax.

Average withholding tax rates for dividends and interest range between 7.5% (Mauritius) and 25% (Lesotho), demonstrating the large differences between AFMI economies in terms of tax frictions. The range between countries in terms of number of DTAs is similarly stark, with the DRC having the lowest number of DTAs at two, and South Africa having the largest at 79 (Figure 6.4). Together, these differences point to substantial variation in the international tax connectivity of AFMI economies and, consequently, their potential to facilitate cross-border investment.

AFMI economies can take several steps to improve their performance on Pillar 6 indicators. Wider adoption of financial reporting standards would improve the comparability of financial information and reduce the cost of assessing cross-border investment opportunities.

Together, internationally recognised master agreements, clean legal opinions, regulatory co-operation and common reporting standards reduce legal and informational frictions, helping investors transact across jurisdictions with greater confidence. Implementation of strong incentives for ESG issuance would lead to greater availability of sustainable investment opportunities and help deepen green financial markets. Carrying out climate stress tests would strengthen financial institutions' assessment of climate-related risks and support greater resilience to climate shocks. Finally, broader tax alignment and the adoption of pro-cross border tax frameworks would further stimulate investment.



How Ghana is strengthening its approach to climate-related financial risk management, with Ghana Stock Exchange.

GHANA

► *Ghana has made progress in incorporating environmental, social and governance considerations in recent years. What impact has these frameworks had on the integration of ESG factors in governance and investment decisions?*

The Ghana Sustainable Banking Principles (2019) encouraged banks to integrate ESG considerations into lending, risk management, and governance. The Ghana Stock Exchange's ESG Disclosures Guidance Manual (2022) established a common framework for identifying, measuring, and reporting ESG impacts under the Global Reporting Initiative Standards. In addition, its revised Sustainability Disclosure Guidance Manual, launched in August 2026, adds double-materiality guidance aligned with IFRS S1/S2.

Banking regulation has also expanded beyond sustainability reporting to prudential ESG-risk management. The Bank of Ghana's Climate-Related Financial Risk Directive requires regulated institutions to incorporate climate-related financial risks into governance and risk-management systems.

Together, these developments reposition ESG from primarily a corporate social responsibility concern to an issue of financial materiality and risk management.

► *Ghana has established a legal framework supporting the enforceability of netting arrangements. Which steps are being taken to further strengthen the legal certainty and practical enforceability of netting arrangements?*

A key development is the Banks and Specialised Deposit-Taking Institutions Act, which recognises netting arrangements in respect of eligible financial contracts. The International Capital Market Association published its legal opinion on Ghana in 2024, confirming the validity of the Global Master Repurchase Agreement and the enforceability of its

close-out netting provisions under Ghanaian law.

The focus now is on deepening this framework, including encouraging greater use of standard master agreements such as the GMRA and Global Master Securities Lending Agreement, providing greater legal certainty for repurchase agreement and securities lending transactions and their associated close-out netting provisions.

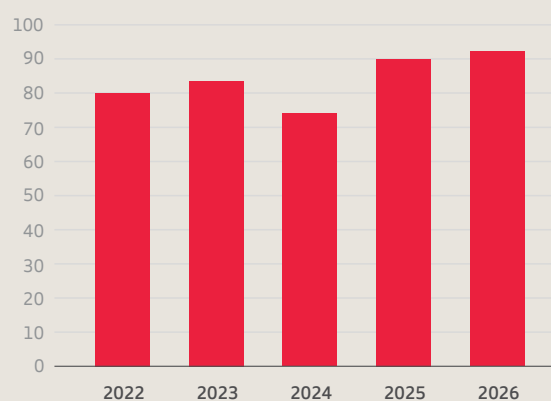
Practical implementation is also supported by industry capacity building, including the BoG-GSE-Frontclear workshop on repo guidelines, GMRA and International Swaps and Derivatives Association documentation held in 2026.

► *Ghana's financial sector has undergone stress testing to assess its exposure to climate risks. How have the findings helped the country identify vulnerabilities and strengthen its approach to climate-related financial risk management?*

The BoG's Climate-Related Financial Risk Directive requires institutions to incorporate climate risk into internal capital and liquidity adequacy assessments, and to quantify potential solvency and liquidity impacts under stressed, including worst-case, scenarios.

A joint McKinsey Sustainability and FSD Africa nature stress test covered the banking systems of five African countries, including Ghana. Roughly 62% of African gross domestic product is moderately or highly dependent on nature-related services, so nature-related profit impacts on borrowers feed through into the credit risk carried by lending institutions. The findings reinforce the case for strengthening institution-level climate stress testing and tailoring transition plans to be aligned with sector-specific exposures, particularly in climate-sensitive sectors such as agriculture, mining and energy.

GHANA FIVE-YEAR PILLAR 6 SCORES



Source: OMFIF analysis



Black Star Square, Accra, Ghana

'ROUGHLY 62% OF AFRICAN GROSS DOMESTIC PRODUCT IS MODERATELY OR HIGHLY DEPENDENT ON NATURE-RELATED SERVICES'

Using qualitative and quantitative data, the Absa Africa Financial Markets Index measures the openness and attractiveness of financial markets in 29 African countries. Countries are scored on a scale of 10-100 across six pillars comprising 29 indicators (in bold), using more than 50 distinct data points for each country.

PILLAR 1: MARKET DEPTH

Size of market

Domestic equity market capitalisation, sovereign bonds and corporate bonds outstanding, all as a share of gross domestic product

Scoring: reference bounds of 0% to 250% for market capitalisation, 0% to 50% for sovereign bonds, and 0% to 25% for corporate bonds

Measurement period: 12 months to June 2026

Liquidity

Total turnover of domestically listed sovereign bonds, corporate bonds and equities as a share of bonds outstanding and market capitalisation, respectively

Scoring: reference bounds of 0% to 40% for equities, 0% to 250% for sovereign bonds, and 0% to 60% for corporate bonds

Measurement period: 12 months to June 2026

Product diversity

Financial asset classes available
Sustainable and environmental, social and governance financial products available

Hedging products available

Currency availability of stock exchange products

Scoring: binary indicator (1 or 10) for each of the data points

Measurement period: as of July 2026

Depth

Ability to clear local currency government securities in international markets

Existence of secondary market makers for bonds

Existence of closing auctions for fair

tradeable market price

Scoring: binary indicator (1 or 10) for each of the data points

Measurement period: as of July 2026

Primary dealer system

Existence of primary dealer system

Existence of turnover in the horizontal repo market (excluding central banks)

Scoring: binary indicator (1 or 10) for each of the data points

Measurement period: as of July 2026

PILLAR 2: ACCESS TO FOREIGN EXCHANGE

Reserves adequacy

FX reserves in months of import coverage

Scoring: reference bounds of 0-7 months

Measurement period: as of July 2026

FX liquidity

Annual interbank market FX turnover as a share of total merchandise trade

Scoring: reference bounds of 0-250%

Measurement period: latest available annual or annualised data, as of July 2026

FX arrangements and controls

Restrictions on capital transactions
Existence of multiple, dual or unified exchange rate

Adoption of FX Global Code

Scoring: defined category with different limits per data point and scoring decline for capital control from 10 for no controls to 0 for controls in all 10 categories

Measurement period: latest data available as of July 2026

Reporting standards

Frequency of reporting and publishing of exchange rate data, and latest

observation lag

Scoring: defined category with daily = 10, weekly = 5 and monthly = 1, reporting and publication frequency and no lag = 10, one-day lag = 7, more than one day lag = 1 for latest observation lag

Measurement period: as of July 2026

PILLAR 3: MARKET TRANSPARENCY

Financial transparency

Existence of fixed dates and times for market reporting

Publishing of data on sector and domestic versus non-resident ownership of domestic assets

Scoring: binary indicator (1 or 10) for each of the data points

Measurement period: as of July 2026

Sovereign credit ratings

Existence of international sovereign credit rating by Fitch, Moody's and S&P

Scoring: defined category with 0 = 1 and 3 = 10

Measurement period: as of July 2026

Corporate credit ratings

Number of corporate credit ratings of domestic entities

Existence of local corporate credit ratings by regional ratings agency

Scoring: reference bounds of 0-75 for corporate credit ratings, and binary category for the existence of local corporate credit ratings (20% of the indicator's total weight)

Measurement period: as of July 2026

Monetary policy transparency

Publication of Monetary Policy Committee meeting schedule

Existence of an explicit inflation target

Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

Fiscal transparency

Publication of annual fiscal budget
Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

Macroeconomic data transparency

Publication, frequency and observation lag of GDP, inflation and interest rate data
Scoring: defined category with different limits per data point
Measurement period: as of July 2026

PILLAR 4: PENSION FUND DEVELOPMENT

Pension fund size

Value of pension assets per working-age population
Scoring: reference bounds of 0-\$5000
Measurement period: end of 2025
Pension fund assets to domestically listed assets
Value of pension assets as a share of domestically listed securities
Scoring: reference bounds of 0-100%
Measurement period: end of 2025

PILLAR 5: MACROECONOMIC ENVIRONMENT

GDP growth

Five-year average annual GDP growth, historical and projected
Scoring: reference bounds of 0-7%
Measurement period: end of 2025

Inflation

Year-on-year change in consumer price index
Scoring: defined category with inflation below 3% = 10, progressive

decline until reaching 10%, then from 10% to 12% = 4, 12% to 16% = 3, 16% to 20% = 2, and above 20% = 1
Measurement period: 12 months to June 2026

Non-performing loans

NPLs as a share of gross loans
Scoring: defined category with ratio of 3% or below = 10, progressive decline as ratio rises, reaching 1 at 20% or above
Measurement period: end of 2025

External debt

External debt as a share of GDP
Scoring: defined category with 30% or below = 10, progressive decline as the ratio rises, reaching 1 at 55% or above
Measurement period: end of 2025

PILLAR 6: LEGAL STANDARDS, TAX AND REGULATORY ENVIRONMENT

Netting enforceability

Existence of legislation for close-out netting
Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

Collateral enforceability

Existence of legislation for financial collateral positions
Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

International standards

Clean legal opinions for International Swaps and Derivatives Association, Global Master Repurchase Agreement and Global Master Securities Lending Agreement master agreements
International Organization of Securities Commissions multilateral

memorandum of understanding signatory

Scoring: defined category with different limits per data point
Measurement period: as of July 2026

ESG initiatives

Incentives for issuing sustainable finance products
Initiatives integrating ESG into financial market standards
Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

Financial stability regulation

Basel Accords implementation stage
Climate stress testing
Scoring: defined category and binary indicator
Measurement period: as of July 2026

Corporate action

Existence of corporate action governance structure
Scoring: binary indicator (1 or 10) for each of the data points
Measurement period: as of July 2026

Reporting standards

Use of international accounting and reporting standards (IFRS) for domestic companies, foreign companies and small- and medium-sized enterprises
Scoring: defined category with different limits per data point
Measurement period: as of July 2026

Tax environment

Level of withholding taxes on interest and dividends
Number of double taxation treaties
Scoring: reference bounds of 0-25% inversely scored for withholding tax, and 0-60 for double taxation treaties
Measurement period: as of July 2026

DATA AND SURVEY

The data informing the scores for each pillar and its indicators stem from a mix of quantitative and qualitative analyses. Quantitative data generally come from the latest year available. Full-year statistics, such as external debt, are up to 2025. Statistics covering the previous 12 months, such as market liquidity, run from July 2025 to June 2026. Where data describe current conditions, such as the stage of Basel implementation, accounting standards and credit ratings, they are as of July 2026.

OMFIF collected market data using London Stock Exchange Group Data and Analytics and publicly available sources, including central bank and securities exchange websites, as well as responses to the OMFIF survey. Where no official data are available, OMFIF uses reliable sources from the financial industry and research community.

The survey was conducted between June and August 2026 and covered more than 40 organisations operating throughout Africa. Participants included central banks, securities exchanges, regulators, international organisations, banking associations and accounting firms.

SCORING

Countries are scored on each indicator on a normalised scale of 1 to 10. Indicator scores are averaged

to produce a score for each pillar, and the six pillar scores are averaged to produce the overall country score. Scores for each indicator are rebased, so the maximum value is scored at 100, and the minimum value is given 10, with final scores on a scale of 10 to 100.

This year, the index moves to a new scoring approach. Each indicator is now measured against fixed reference bounds: an upper bound representing an achievable benchmark of good practice in an African financial market context, and a lower bound beyond which score changes generally don't have meaningful economic interpretations. A country's score reflects where it sits between these two points - performance at or beyond the upper bound receives the maximum score. In previous editions, countries were scored relative to the index's highest and lowest performers each year, so a country's score depended in part on other countries' performance.

Scoring against fixed reference points, in line with best international practice for composite indicator design, brings two main benefits. First, scores are now directly comparable across years: a movement in a country's score reflects a real change in its own performance, not a shift elsewhere in the sample. We have updated our index from 2022 to provide time-series performance data using this methodology (see

pp. 58-59). Second, scores are easier for policy-makers and practitioners to interpret: each score measures distance from a defined benchmark of good practice, giving countries a clear and stable target to work towards.

The reference bounds are set in two ways. Where academic and industry literature provides a relevant, well-evidenced threshold, we use it. For example, a non-performing loan rate at or above 20% is a widely cited indicator of banking crisis, so a country at or above this level receives the minimum score on that indicator while a ratio at or below 3% receives full marks. Where no such guidance exists, bounds are aligned with the 97.5th centile of the 2025 distribution of results, or of the past five years where a single year is unrepresentative; there are some exceptions to the rule of the 97.5th centile where distributions are dominated by outliers, with the goal of creating bounds that represent an achievable standard of good practice for African markets.

For indicators where lower values are better, such as inflation, NPLs, external debt and withholding tax, the scale is inverted so that the strongest performance receives the highest score. Binary indicators score 1 or 10 depending on whether the relevant condition is met, and categorical indicators are scored at equally spaced points between 1 and 10.

CHANGES TO INDICATORS

Alongside the new scoring approach, the measurement of a small number of indicators has changed this year.

Pension fund assets relative to domestically listed assets are now measured as a simple ratio of pension assets to the value of listed equities and bonds. This ratio is no longer weighted by market liquidity, making the indicator easier to interpret as a direct measure of domestic institutional savings relative to domestic capital markets.

Repurchase agreement market activity is now recorded as the existence of turnover in the horizontal repo market, excluding central banks, rather than as average daily turnover, reflecting the reliability of the underlying data.

Two new measures are introduced: an explicit inflation target and a binary variable indicating the presence of local corporate credit ratings. The number of monetary policy committee meetings is no longer scored.

CHANGES TO PILLARS

OMFIF reallocated some indicators to improve consistency across what each pillar measures.

Pillar 3 now includes macroeconomic data transparency, the Monetary Policy Committee meeting schedule and budget release, which was previously assessed under Pillar 5.

From Pillar 3, tax treaties, International Financial Reporting Standards, Basel implementation, climate stress testing, environmental, social and governance initiatives and corporate action governance were moved to Pillar 6.

DATA REVISIONS

Because the scoring methodology and pillars changed, 2025 data will differ from what we published last year. We also incorporate any revisions, newly available data and/or improved data collection methods. This includes:

Botswana: Enforceability of close-out netting legislation is marked as 'no' this year based on the latest data from the International Swaps and Derivatives Association. This was marked as 'yes' based on previous survey responses. The double taxation treaties were updated from 23 to 24. Pension fund assets totalled \$12.3bn in 2025 according to the Non-bank Financial Institutions Regulatory Authority. The Organisation for Economic Co-operation and Development published no data for Botswana.

DRC: Data on domestic and foreign ownership of domestic assets is marked as 'no' based on the central bank's 2025 survey. This was marked as 'yes' in the previous report.

Kenya: Withholding tax on interest was updated from 25% to 15%.

Uganda: Enforceability of close-out netting legislation is marked as 'no' this year based on the latest data from the International Swaps and Derivatives Association. This was marked as 'yes' based on previous survey responses.

Malawi: ESG initiatives are marked as 'no' this year based on the most recent survey data. This was marked as 'yes' based on previous survey responses. Pension fund assets totalled \$4bn in 2025 according to a survey respondent. The OECD published no data for Malawi.

Mauritius: Pension fund assets totalled \$4.5bn in 2025 according to a media report. This source was used in this year's report because the survey response mentioned no data availability.

Double taxation treaties were updated in several countries as follows: Egypt to 59 from 60, Lesotho to 6 from 5, Rwanda to 16 from 14, Seychelles to 29 from 28, Zambia to 23 from 22, and Zimbabwe to 19 from 13.

All countries: The latest International Monetary Fund data used in this report includes revisions to previous years' data for foreign exchange reserve adequacy, NPL ratios, external debt and gross domestic product growth, as well as World Federation of Exchanges updates on market size and liquidity indicators.

Under the updated methodology, this five-year series presents recalculated pillar scores for each country, providing a consistent basis for tracking performance and comparing changes over time.

Overall – average of the 6 pillar scores by country					
Country	2022	2023	2024	2025	2026
ANGOLA	44	45	42	44	47
BENIN			50	48	51
BOTSWANA	63	65	66	66	64
CABO VERDE		49	48	49	56
CAMEROON	48	52	53	48	48
CÔTE D'IVOIRE	49	48	50	49	52
DRC	42	40	41	42	47
EGYPT	58	55	55	56	58
ESWATINI	56	56	57	59	58
ETHIOPIA	35	36	39	41	41
GHANA	55	53	51	58	64
KENYA	61	63	63	64	65
LESOTHO	43	45	44	51	55
MADAGASCAR	38	38	42	41	44
MALAWI	48	44	50	44	48
MAURITIUS	75	75	74	74	77
MOROCCO	59	59	58	58	60
MOZAMBIQUE	40	46	46	46	46
NAMIBIA	65	63	65	70	71
NIGERIA	63	64	60	65	63
RWANDA	51	50	56	57	55
SENEGAL	44	44	49	45	47
SEYCHELLES	48	50	52	51	55
SOUTH AFRICA	82	79	80	83	85
TANZANIA	60	58	61	60	62
TUNISIA		43	43	46	45
UGANDA	69	67	67	67	68
ZAMBIA	53	55	56	54	55
ZIMBABWE	44	47	47	51	52

Blank = country not assessed that year

Pillar 1					
Country	2022	2023	2024	2025	2026
Angola	46	43	44	45	41
Benin			34	31	40
Botswana	47	45	50	52	53
Cabo Verde		29	29	35	38
Cameroon	26	27	28	28	34
Côte d'Ivoire	30	34	35	32	32
DRC	20	20	21	22	21
Egypt	41	39	46	46	59
Eswatini	22	21	22	22	23
Ethiopia	10	10	10	11	11
Ghana	43	50	46	47	53
Kenya	32	41	41	37	43
Lesotho	12	12	12	18	12
Madagascar	19	19	20	13	20
Malawi	22	31	31	35	37
Mauritius	54	41	51	61	56
Morocco	56	53	53	51	51
Mozambique	31	41	41	47	47
Namibia	29	30	28	44	52
Nigeria	57	56	55	57	56
Rwanda	36	36	37	37	38
Senegal	30	33	35	32	32
Seychelles	15	15	14	15	16
South Africa	93	90	91	90	92
Tanzania	43	43	33	34	43
Tunisia		49	49	50	50
Uganda	52	51	51	52	47
Zambia	38	33	35	34	37
Zimbabwe	14	14	14	14	16

Pillar 2					
Country	2022	2023	2024	2025	2026
Angola	56	56	58	60	59
Benin			49	53	63
Botswana	67	69	70	59	60
Cabo Verde		65	66	64	70
Cameroon	48	53	52	53	50
Côte d'Ivoire	56	52	49	53	63
DRC	32	40	45	43	44
Egypt	68	70	67	68	68
Eswatini	49	46	49	49	46
Ethiopia	41	39	39	47	48
Ghana	52	50	51	53	60
Kenya	68	70	70	67	74
Lesotho	56	52	55	61	70
Madagascar	61	67	79	78	80
Malawi	42	41	43	40	40
Mauritius	75	75	76	76	75
Morocco	60	62	66	58	58
Mozambique	45	47	45	43	43
Namibia	54	54	54	54	49
Nigeria	55	55	52	78	70
Rwanda	64	57	58	58	56
Senegal	56	52	49	53	63
Seychelles	57	55	55	54	54
South Africa	87	90	88	89	90
Tanzania	54	52	59	60	60
Tunisia		47	48	48	44
Uganda	79	74	67	69	81
Zambia	55	55	55	56	57
Zimbabwe	33	32	32	32	33

Pillar 5					
Country	2022	2023	2024	2025	2026
Angola	22	38	22	33	49
Benin			82	83	79
Botswana	70	84	83	84	73
Cabo Verde		58	58	56	68
Cameroon	68	65	73	74	73
Côte d'Ivoire	83	81	83	84	89
DRC	84	66	67	77	91
Egypt	72	62	51	54	58
Eswatini	73	78	82	79	82
Ethiopia	73	75	79	80	79
Ghana	46	41	34	46	67
Kenya	70	72	73	76	68
Lesotho	57	61	56	66	73
Madagascar	65	63	67	65	66
Malawi	64	61	63	47	56
Mauritius	67	73	81	79	89
Morocco	52	52	59	66	71
Mozambique	42	47	56	52	49
Namibia	71	74	77	80	84
Nigeria	62	62	61	61	65
Rwanda	55	61	79	63	60
Senegal	58	62	73	59	60
Seychelles	77	81	79	79	88
South Africa	69	73	72	78	76
Tanzania	87	90	93	91	85
Tunisia		31	34	36	40
Uganda	84	88	92	93	96
Zambia	48	64	63	53	63
Zimbabwe	60	62	63	66	90

Pillar 3					
Country	2022	2023	2024	2025	2026
Angola	78	71	66	66	73
Benin			77	63	58
Botswana	76	71	77	79	79
Cabo Verde		60	53	55	59
Cameroon	69	68	69	68	63
Côte d'Ivoire	77	63	74	63	63
DRC	68	68	70	65	60
Egypt	90	85	93	94	93
Eswatini	69	63	60	61	51
Ethiopia	60	54	67	59	59
Ghana	89	76	82	91	90
Kenya	97	91	94	99	100
Lesotho	55	65	58	65	66
Madagascar	50	48	56	61	63
Malawi	59	48	69	62	63
Mauritius	81	84	92	82	83
Morocco	79	80	66	75	82
Mozambique	60	68	74	74	64
Namibia	75	63	76	87	80
Nigeria	92	93	84	93	88
Rwanda	80	66	81	70	70
Senegal	74	61	74	64	64
Seychelles	64	67	59	67	68
South Africa	99	80	90	100	100
Tanzania	71	70	85	80	85
Tunisia		73	62	70	65
Uganda	89	75	91	82	87
Zambia	87	81	84	83	84
Zimbabwe	65	70	70	68	68

Pillar 4					
Country	2022	2023	2024	2025	2026
Angola	15	16	15	15	13
Benin			10	10	10
Botswana	69	69	64	65	63
Cabo Verde		37	35	37	41
Cameroon	31	55	54	23	18
Côte d'Ivoire	14	14	13	15	17
DRC	10	10	10	10	10
Egypt	13	12	12	12	11
Eswatini	82	85	87	100	100
Ethiopia	11	11	11	11	10
Ghana	19	20	19	23	20
Kenya	27	28	23	29	30
Lesotho	58	60	61	61	62
Madagascar	10	10	10	10	10
Malawi	27	23	22	19	22
Mauritius	78	83	58	52	63
Morocco	49	45	42	36	38
Mozambique	29	26	14	15	15
Namibia	100	100	98	100	100
Nigeria	25	33	25	19	17
Rwanda	23	24	24	29	24
Senegal	11	12	12	11	12
Seychelles	44	52	74	59	68
South Africa	50	46	44	47	55
Tanzania	34	35	34	39	35
Tunisia		10	10	17	17
Uganda	31	29	34	38	28
Zambia	13	13	13	12	13
Zimbabwe	26	39	43	57	32

Pillar 6					
Country	2022	2023	2024	2025	2026
Angola	45	45	45	45	45
Benin			48	48	60
Botswana	48	54	54	54	54
Cabo Verde		47	47	47	58
Cameroon	43	43	43	43	48
Côte d'Ivoire	32	43	49	49	49
DRC	36	36	36	36	58
Egypt	61	61	61	61	61
Eswatini	44	44	44	44	44
Ethiopia	16	27	27	38	38
Ghana	80	83	74	90	92
Kenya	74	74	74	76	76
Lesotho	21	21	21	32	43
Madagascar	22	21	21	21	26
Malawi	75	63	75	58	69
Mauritius	97	97	86	97	97
Morocco	57	63	63	63	63
Mozambique	35	45	45	45	56
Namibia	58	58	58	58	64
Nigeria	84	84	84	84	84
Rwanda	47	53	58	81	81
Senegal	33	44	50	50	50
Seychelles	32	32	32	32	37
South Africa	96	96	96	96	96
Tanzania	71	59	59	59	65
Tunisia		49	54	54	54
Uganda	81	86	69	69	69
Zambia	78	81	84	84	78
Zimbabwe	66	67	60	72	71

Absa Group Limited
15 Troye Street, Johannesburg, 2001, South Africa
T: +27 (0) 11 350 4000
www.absa.africa
@Absa

Official Monetary and Financial Institutions Forum
6-9 Snow Hill, London, EC1A 2AY, United Kingdom
T: +44 (0) 20 700 27782
www.omfif.org
@OMFIF

All rights reserved. Absa Bank Limited
Registration Number: 1986/004794/06.

Authorised Financial Services Provider and a Registered Credit Provider (NCRCP7)