

## The 2022 African banking trends unpacked

Hosted by CNBC Africa and sponsored by Euro Exim Bank and Liquid Intelligent Technologies, the 2021 Future of Banking webinar unpacked the key trends driving change in the banking sector.



Source: Supplied

The 2021 Future of Banking webinar welcomed industry leaders to unpack these trends in panel discussions.

Among the experts joining were Bongiwe Kunene, Managing Director for The Banking Association South Africa (keynote speaker); Dr Graham Bright, Head of Compliance and Operations at Euro Exim Bank Ltd; Andy Jury, Group CEO of Mukuru; Vimal Kumar Ambat, CEO of Airtel Money, Airtel Africa Operations and Samuel Sule, Director and Head of Financing of Renaissance Capital.

The experts outlined the digitally-driven changes in banking and what needs to be done to stay relevant.

The top four emerging trends in African banking for 2022 that came to the fore are mobile banking, digital-only banking, banks collaborating with fintech in the adoption of open banking and the need to tighten compliance to address the rise of more complex and sophisticated financial cyber crimes.

In more depth here is what was highlighted:

## **Mobile banking**

With the drive of mobile use in Africa against a backdrop of limited technological access, online banking channels are emerging as the preferred form of engagement. Banks are now pushing a mobile-first strategy either in the form of mobile-only bank brands or enhanced mobile apps with features such as virtual assistants.

## **Digital-only banking**

The acceleration of the digital-first economy means that the new normal in banking is engagement through a digital interface – or neo-banks. There's a shift from branch-heavy interactions and product-centric organisations to more seamless digital consumer experiences. Traditional banks are exploring technological solutions to keep up with the neo-bank model.

## **Open banking and Fintech**

Banks are being forced to re-think the customer's journey in a digital world. This has seen Fintech providers emerge as potential rivals to the growing adoption of open banking. Open banking requires banks to make their own APIs (Application Programming Interface) more accessible so that third parties can create new products and services on top of the data. This has seen banks collaborating with Fintech to achieve this goal.

## **Cyber risk and financial crime**

The digitisation of banking comes with risks associated with cyber-crime. Regulators are now tightening compliance to address the rise of more complex and sophisticated financial crimes. Banks are having to embrace advanced technologies like analytics and artificial intelligence to address this threat.

"Computers may just be the cheat-code for our civilization to progress and advance at a lightning speed, but it is also tremendously vital to protect this asset like we protect our health, our house and our savings," explained Ignus de Villiers, Group Head of Cyber Security for Liquid Intelligent Technologies South Africa.

"Our responsibility lies in protecting sensitive data and information that is stored electronically. With technology advancing by the day, the level of threat from cyber-attacks has also increased with time. Businesses are especially vulnerable as most of the sensitive company information is stored online - but individuals can succumb to such attacks too. That is what makes cyber security so indispensable because anyone can be exposed anywhere in this digital economy."

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