

**THE PROMOTION OF
CAPITAL MARKETS IN AFRICA:
Assessment of needs in Capital Markets
Development Southern, Western and
Central Africa**

**1-3 November 1999
Addis Ababa, Ethiopia**

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I. Introduction

There is indeed a growing body of research which points towards capital market development and financial deepening in general and stock markets development in particular making positive contribution to economic growth. An array of financial instruments including stock market quoted shares and the bond market is almost certainly going to enhance the overall level of savings in an economy.

Capital markets are the markets for *long-term loanable funds* as distinct from the money markets, which deals in *short-term funds*. However, there is no clear-cut distinction between the two markets. In principle, capital market loans are used by industry and commerce mainly for fixed investment. The capital market is an increasingly international one and in any country the market is not one institution but all those institutions that much the supply and demand for long-term capital and claims on capital. In this respect, *stock exchanges* could be defined as the central point of the capital market.

The evolution of capital markets in Africa in recent years has been rather dramatic, as countries have sought not only to mobilize domestic resources but also to attract foreign direct investment. Accordingly, activity in a number of capital markets that had been dormant for years picked-up significantly and a number of new markets have emerged. In a number of established stock exchanges, activity has been boosted by increased listings of companies; mostly made possible by privatization of state-owned enterprises. At present, there are about twenty stock exchanges in the continent (*See Table 1*).

However, many African stock markets are characterized by a relatively limited number of scrip, which are held to a substantial extent in perpetuity by few insurance and pension funds. The participation by individual savers/investors is significantly limited in a number of markets. The result is that African stock markets (with the exception of Johannesburg) are illiquid. Widening stock market access beyond national boundaries to other stock markets in the region should enhance stock

market liquidity and provide savers/investors with significantly more diversified risk opportunities. To this end, the establishment of the West African Regional Stock Exchange in Abidjan in 1998, whose scrip will encompass issues in the eight countries of the West African Monetary Union is already a very encouraging step forward.

The existence of well-functioning capital markets and especially stock markets is essential to the mobilization of resources both internally and externally. For these securities markets to operate with some degree of efficiency, the conditions are: a stable macro-economic environment; an appropriate capital market infrastructure; and an adequate regulatory, legal and supervisory framework in order to protect investors, promote public confidence, and guarantee market discipline.

1/ The data for BRVM, Egypt, Malawi, Morocco, South Africa and Zambia is for year-end 1998.

*2/ The West African Regional Stock Exchange (Bourse Regionale Des Valeurs Mobiliers – **BRVM**) was set up on September 1998 by the West African Monetary Union (WAMU) countries – namely, Benin, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo. A similar regional stock exchange for Central African part of the franc zone is planned to open by end 2000. This regional exchange would serve Cameroon, Central African Republic, Chad, Congo Republic, Equatorial Guinea and Gabon.*

3/ By end 1998, it was still not operational.

4/ The Ugandan Securities Exchange was established in June 1997 and trading began in January 1998. There is only one security traded on the exchange, the East African Development Bank Bond.

The necessary conditions for further capital markets development are somewhat absent in many African countries. In addition, there is a shortage of skilled financial technocrats and the lack of training institutions appropriately equipped to meet the human resource needs of securities markets.

The best way to deal with this limiting initial condition for capital market development in Africa is to increase educational activities; public awareness campaign; support the development of institutional investors; encourage unit trusts and pension funds; and train key market-players such as brokers. In addition, it is also necessary to upgrade the knowledge and understanding of regulators and fund managers on the efficient management of markets.

Therefore, against the above background, the broad objective of the ECA project is to enhance the capacity of African countries to design appropriate policy frameworks for capital markets development including adequate regulatory regimes; and to acquire the skills necessary for the development of efficient capital markets.

With this broad objective in mind, under the ECA project on the *Promotion of Capital Markets in Africa – Phase I*, needs assessment missions to eight African countries (South Africa, Botswana, Malawi, Zambia, Ghana, Nigeria, Cameroon and Cote d’Ivoire) have already been undertaken. The findings, the recommendations and the project implementation proposal for forthcoming technical assistance in Phase II and III are the focus of this report.

II. The findings of the Needs Assessment Missions to Southern and West African Countries

The first fact-finding mission on assessment of needs in capital markets development (3 to 22 July 1999) to South Africa, Botswana, Malawi and Zambia was composed of representatives of the executing agencies – ECA, UNCTAD and ACMF. The second fact-finding mission (16 to 29 September 1999) to Ghana, Nigeria, Cameroon and Côte d’Ivoire was composed of representatives from the ECA and UNCTAD.

In all the four countries, the mission met with chief executives of stock exchanges, regulatory bodies, stock brokerage firms, listed companies, institutional investors, other financial intermediaries and private investors. Altogether, a total of forty-eight financial institutions were visited (**See Annex 3**). With the exception of South Africa and Nigeria, the mission held meetings with officials of the respective central banks and ministries of finance. In addition, the mission met with the

UNDP resident representatives for briefing and debriefing. The meetings with the UNDP resident representatives proved very useful in custom-tailoring a strategic approach in the particular country for effective assessment of the needs in capital markets development. In general, the meetings with all the heads of the financial institutions and government officials were very cordial; and the participatory approach displayed by the members of the mission allowed for open discussions of technical assistance and training needs.

South Africa

Overview of recent developments

The Johannesburg Stock Exchange (JSE) plays a leading role in the Southern African Development Community (SADC). There are four major developments currently taking place in the JSE.

- First, there is a strong activity to enforce compliance with JSE listing requirements for all exchanges in SADC (JSE, Botswana stock exchange, Malawi Stock Exchange, Namibian Stock Exchange, Stock Exchange of Mauritius, and the Swaziland Stock Exchange).
- Second, within South Africa, the JSE itself is to merge with the South African Futures Exchange (SAFEX) and the Bond Exchange of South Africa as part of the reforms of the South African securities market.
- Third, a new electronic settlement system (Share Transactions Totally Electronic – STRATE) that will bring South Africa in line with advanced international practice and enhance the security of settlements in the equities market is being introduced.
- Fourth, in March 1996, the JSE commenced automated trading, converting the first group of shares from floor trading through the JET system (Johannesburg Equity Trading). Significant improvements arise for investors, listed companies, and the JSE itself from the JET System through improved Transparency, security and audit activities, which greatly enhance investor protection. To date, the JSE is linked with the Namibian

Stock Exchange through the JET System for cross-border trading.

Issues in training and possible cooperation in Phase II and Phase III

The JSE through its harmonization efforts provides short-term and on the job training for selected professionals in the SADC member countries. The training cover regulatory, surveillance and brokerage issues. Certification for stockbrokers is also provided after completion of a short-term course. With regard to public awareness, the JSE occasionally organizes 'Stock Fairs' aimed at the general public in order to demystify the concept of stock exchange.

Several of the executives the mission met with have shown their appreciation for ECA's project in capital market promotion. Moreover, they are willing to participate in Phase II and Phase III of the project by providing training/technical assistance in the form of lectures, public awareness campaigns and on the job training. The executives include: Mr. Frank R. Molobi (Manager, Marketing, Research and Development, JSE), Mr. Allen Jones (Manager, Market Information, Bond Exchange of South Africa), Mr. Norman Muller (Manager, Financial Markets, Financial Services Board) and Mr. Gerry Anderson (Head, Financial Markets, Financial Services Board).

Botswana

Overview and recent developments

The Botswana Stock Exchange is a small but thriving exchange located in Gaborone. The Botswana Stock Exchange Act was passed in August 1994, and came into force when regulations were published by the government at the end of October 1995. The Botswana share market established in 1989 became the Botswana Stock Exchange (BSE) on November 1995. The BSE committee appointed by the Ministry of Finance is responsible for the management of the stock exchange. Stockbrokers Botswana administers the BSE under the supervision of the Stock Exchange Committee. The BSE currently lists 12 domestic and 9 foreign companies. To date, the BSE is

self-regulated because of the absence of appropriate capital market authority.

Issues in training during Phase II and Phase III

The followings are the needs in capital markets promotion that were highly emphasized by the BSE and the stock brokers:

- The need for funding to recruit a regional or national CEO;
- The need for a conventional high school and college training program in capital market development in general and not only stock exchanges; and
- The need for more television and radio public awareness campaign of the advantages of investing in the stock exchange in connection with privatization.

Malawi

Overview and recent developments

The Malawi Stock Exchange is a fully-fledged stock market, with a single licensed broker - Stockbrokers Malawi Ltd. The Exchange operates in terms of The Capital Market Development Act of 1990 and The Capital Market Regulations of 1992. The Malawi Stock Exchange was inaugurated in March 1995 and opened for business on November 1996, under the aegis of the Reserve Bank of Malawi, with 2300 Malawian citizens buying shares. The first company to be listed was Malawi's largest insurance company, the National Insurance Company. At present, there are six listed companies. The regulatory legislation of the Stock Exchange will be the Securities Act, which is in its initial draft form awaiting passing into law by parliament in November 1999.

Issues in training during Phase II and Phase III

The followings are the needs in capital markets promotion that were highly emphasized by the Interim Secretary of the Malawi Stock

Exchange and the Director and staff of Financial Market Operations Department at the Reserve Bank of Malawi:

- The need for advanced training in capital markets for market practitioners;
- The need to disseminate technical materials on emerging markets in the world;
- The need for formal high school and university training on capital markets and stock exchanges on continued basis;
- The need to train financial journalist as part of a nationwide drive in public awareness campaign. Early this year, the Governor of the Reserve Bank of Malawi organized a one-week workshop for financial journalist on financial reporting. However, technical support on continued basis is required;
- The need for training institutional fund managers and workshop for targeted groups on collective investment schemes;
- The need to train public officials on understanding and appreciation of the importance of capital markets in the Ministry of Finance and Ministry of Justice; and
- The need for technical support and training for market regulators.

Zambia

Overview and recent developments

The Lusaka Stock Exchange (LuSE) of Zambia opened in February 1994. There are currently eight companies' which shares are traded on the Exchange. Trading can also take place in three collective investment schemes. The number of securities traded on the Exchange is expected to increase as up to 150 state enterprises are being privatized. Treasury bills and other government bonds are also expected to trade on the Exchange.

Measures aimed to draw foreign investors in particular are the absence of exchange controls or restrictions on shareholding levels and foreign ownership; and there are no capital gains taxes. There are no restrictions on foreign investment and foreigners may invest on the Exchange on similar terms as Zambians. The LuSE gives companies an incentive to list as opposed to being quoted by reducing those companies income taxes from 35% to 30%, and by waiving a 2.5% property transfer tax on sales of unlisted securities. Dividends are partly taxable.

In the securities market operations, the Securities Exchange Commission (SEC) is the regulatory body. It is a corporate entity established by the Securities Act of 1993. Its functions are to supervise and monitor the activities of the Exchange and the settlement of transactions, to license and monitor the activities of the dealers-brokers and other securities related activities.

Issues in training during Phase II and Phase III

Concerning training and public awareness campaigns in capital markets promotion, Zambia has implemented very effective programs sponsored by SIDA. These include:

- Syllabus on capital markets in secondary schools, 1999;
- Regional Institutional Fund Management course, April 1997 (Botswana, Namibia, Uganda, Tanzania, Zimbabwe, Zambia and Malawi);
- Workshop on Unit Trust, August 1999; and
- Other training for staff include: on the job training (local and overseas), high level seminars/workshops (RSA, USA, UK and Sweden), study tours (Johannesburg, Nairobi, Mauritius, Cairo, Ghana, and New York exchanges).

The above impressive efforts in the promotion of capital markets, the 'Zambian Model', will be given a major consideration in the design and

implementation of Phase II and III of the UNECA-Capital Market Promotion Project.

The following are the needs in capital markets promotion that were highly emphasized by the General Manager of the Lusaka Stock Exchange and his staff:

- The need for information strategies at the public level, i.e. training in Financial Market Reporting. Participants should be financial journalists and broadcasters;
- The need for Market Analysis Reporting, i.e. training in Market Trends Reporting. Participants should be dealers-brokers and fund managers of institutional investors. To develop advanced brokerage reporting skills with international standard;
- The need for sustainability issue strategies, i.e. to increase the number of listed companies through the privatization process and create venture capital; and
- The need for institutional capacity support, i.e. to hire and keep trained staff.

Ghana

Overview and recent developments

The Ghana Stock Exchange (GSE) was incorporated in July 1989 with trading commencing in November 1990. Initially, 11 securities were listed, with a combined capitalization of US \$ 91 million. It currently has 22 listed companies and 3 corporate bonds. All types of securities can be listed; and criteria for listing include capital adequacy, profitability, spread of shares, years of existence and management efficiency. The manufacturing and brewing sectors dominate the exchange. Other listed companies include the banking, insurance, mining and oil sectors. Most of the listed companies are Ghanaian but there are some multinationals.

All listings are included in the main index, the GSE ALL-Share index. Since 1990, the GSE's performance has varied considerably. In

1993, the GSE was graded as the 6th best performing stock market index among all the emerging markets, gaining 124.3% in its index level. However, in 1995, the index growth was a disappointing 6.3%, partly because of high inflation and interest rates. Growth of the index picked up to 42% in 1997 and 69.7% in 1998. The GSE was voted the best performer among all stock markets in Africa in 1998 in terms of capital appreciation.

There is a 10% withholding tax on dividend income for all investors. Capital gains on securities listed on the exchange will remain exempt from tax until November 2000. The exemption of capital gains applies to all investors on the exchange. There are no exchange control regulations on the remittance of original investment capital, capital gains, dividends, interest payments and other related earnings.

Issues in training during Phase II and Phase III

The GSE is actively involved in training programs to assist potential investors to gain a sound knowledge and understanding of the securities markets in Ghana with a view to increase participation in the market. The capacity building activities are partly funded by the World Bank and the Exchange. The World Bank funding should cover these activities for the next nine months up to June 2000.

The GSE periodic training programs include: securities courses that consist of five modules, Executive Development Seminars and public awareness programs for the general public.

According to the executives of the GSE and other institutions, the ECA Capital Market Promotion Initiative is a very welcomed and timely project to reinforce the existing efforts and introduce new ones. Therefore, the following capital markets promotion activities were highly emphasized and endorsed during our discussions:

- Capacity building in financial information dissemination by training journalist on financial reporting and market trends;
- Capacity building in financial research methodology and financial analysis by training research professionals;

- Training on operations of capital markets;
- Training of public officials (in the Judiciary, the Legislature, Attorney-General’s Department, Ministry of Finance and the Central Bank) to upgrade their knowledge, understanding and appreciation of the capital market;
- Seminars on employee share participation schemes to encourage indigenous investors to become part owners of the privatized public enterprises through public flotation,
- Training of Bank of Ghana staff and other financial institutions executives on the efficient operations of secondary markets in order to upgrade their knowledge and understanding for further development of these markets; and
 - Additional courses in basic and advanced securities.

Nigeria

Overview and recent developments

The original Nigerian Stock Exchange was established in 1960 as the Lagos Stock Exchange. At present, there are six branches of the Nigerian Stock Exchange with trading floors. The branch in Lagos was opened in 1961; Kaduna, 1978; Port Harcourt, 1980; Kano, 1989; Onitsha, 1990; and Ibadan, 1990. Currently, there are some 180 listed companies with a total market capitalization of over US \$ 3 billion. All listing are included in the only index, the Nigerian Stock Exchange All Shares Index. Most of the listed companies have multinational affiliations and represent a cross-section of the economy, ranging from agriculture to manufacturing and to services. The Exchange has an Automated Trading System. Data on listed companies performance are published daily, weekly, monthly, quarterly and annually.

In order to encourage foreign investment in Nigeria, the government has abolished legislation preventing the flow of foreign capital into the country. This has allowed foreign brokers to enlist as dealers on the

Nigerian Stock Exchange; and investors of any nationality are free to invest. Nigerian companies are also allowed multiple and cross-border listings on foreign markets. However, withholding tax on dividend and interest remains at 10%; corporate income tax (35%) and capital gains tax (10%).

Issues in training during Phase II and Phase III

During the meetings with the executives of the Nigerian Stock Exchange, the mission had highly motivated discussions on the training and technical assistance aspects of capital market promotion in general and *financial journalism* in particular. As early as 1992, The Nigerian Stock Exchange has organized National Workshops on financial Journalism for over 300 journalists. At present, there are over 40 accredited financial journalists actively involved in financial reporting on a daily basis. The exchange has come a long way in financial reporting. Of interest to ECA's project, the executives have agreed to facilitate ECA's training of financial journalist during Phase II and Phase III by providing their expertise.

Other aspects of the needs in capital markets promotion that were emphasized in the discussions are:

- Training seminars for regulators to upgrade their understanding of the working of an efficient capital market;
- regional seminars to the providers of secondary market instruments; and
- policy analysis studies on possible integration of the English-speaking West African countries.

Cameroon (Banque des Etats de l'Afrique Centrale - BEAC)

Overview and recent developments

Authorities in the Central African part of the franc zone consulted the Mauritius Stock Exchange during 1998 on the potential for a regional

stock exchange. At the same time, plans for a bourse in Gabon were proceeding under the aegis of the finance Ministry. The regional exchange would serve Cameroon, Central African Republic, Chad, Congo Republic, Equatorial Guinea and Gabon, which share a common currency (the CFA franc), and a common central bank (BEAC).

A recent World Bank sponsored study and seminar concluded that there is a need for a regional stock exchange as opposed to national stock exchanges in the BEAC region. Moreover, Ministers of Finance meeting in mid-September in Paris approved the proposal to open a regional stock exchange. Accordingly procedures have began towards the opening of the regional stock exchange by end 2000.

Issues in training during Phase II and Phase III

The chief executives in BEAC expressed their endorsement for the ECA capital market promotion project. However, they felt the timing of the training and technical assistance with regard to this region should be coordinated in stages with the implementation of the regional stock exchange.

Côte d'Ivoire (Bourse Regional Des Valeurs Mobilières – BRVM)

Overview and recent developments

The West African Regional Stock Exchange (BRVM) was established in September 1998. It was set up by the West African Monetary Union (WAMU) countries; namely – Benin, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo.

The BRVM has two major objective: raising sub-regional funds in order to finance investment and strengthening economic integration among states of the union. The Regional Council for Public Savings and Capital Markets (CREPMF), a public entity, is the supervising body of the market for the whole WAMU region. The Exchange is a private limited company with a 2.904 billion CFA capital (i.e. \$4.84 Million). 87% of the capital is owned by private businessmen of the region; and 13% is owned by member states.

The BRVM has 38 listed companies, which were transferred from the former Abidjan Stock Exchange. All the listed companies are Ivorian,

expect one which is Senegalese. During the next three years, over 60 companies are scheduled for privatization and listings. However, most of these companies are again Ivorian and the BRVM will continue to be dominated by Ivorian companies. In the privatization process, strategic foreign investors are let to cooperate with indigenous investors in order to broaden local participation.

Issues in training during Phase II and Phase III

Through out the meetings with the chief executives of the BRVM, governmental agencies and financial institutions, ECA's involvement in technical assistance in the Franco-phone region was highly supported.

The following are the training and technical assistance needs that were highly emphasized by the chief executives:

- Training of journalists in financial reporting;
- Establishment of a *rating agency* and training of professionals in rating techniques;
- Training of regulators on efficient regulation techniques of the market;
- Seminars and policy studies on fixed-income markets;
- Training of central bank and treasury executives and professionals on fixed-income markets;
- Seminars for executives of institutional investors to participate in the market; and
- Public awareness campaigns for the public at large.

III. The Needs Assessment Survey Questionnaire in Capital Markets Development Summary Responses

During the needs assessment missions to the eight selected African countries, officials involved in capital market activities were

requested to respond to a pre-prepared needs assessment survey questionnaire (NASQ) on capital markets development. The NASQ was intended to serve as an additional means to identify and prioritise technical assistance requirements. Twenty-one officials in the eight African countries have responded to the questionnaire. The summary results of the NASQ (*See Annex I.*) gives a clear indication of some of the commonalties in the technical assistance needs in capital markets developments in Africa.

The following can strongly be inferred from the summary results:

- Technological infra-structure must be enhanced for quick settlement and clearing operations.
- Training programs in financial analysis and portfolio management is needed.
- Training in financial reporting for financial journalist is required.
- In order to broaden participation of indigenous investors in stock market activities appropriate schemes (Ex. Employee Share Ownership Plan, ESOP) must be implemented.
- Disclosure of financial positions of the listed companies is required.
- The government through its appropriate agencies should encourage the development of capital markets and participation in the market through meaningful media campaigns and other public awareness techniques.
- A policy research on the benefits and efficiency of regionalization of African stock exchanges must be undertaken. Seminars should be organized to disseminate relevant useful information and research results.

IV. Recommendations for the Design of the ECA Technical Assistance

Based on the findings of the needs assessment missions on *'the Promotion of Capital Markets in Africa'* to eight countries and the needs assessment survey questionnaire results (*See Annex 1.*), the optimal strategy to proceed with the implementation of the technical assistance programs in Phase II and Phase III as follows:

- All the training programs should be on **regional basis** as opposed to on country-specific basis. The four regional training centres chosen are Lusaka, Cairo, Abidjan and Addis Ababa. These regional training centres will cover countries in Southern Africa, North Africa, Franc zone Africa and other English speaking Africa respectively (*See Box 1*).
- The findings of the needs assessment missions strongly indicate that the following **intensive two weeks training programs** would most efficiently cover the major and immediate needs in capital markets promotion in Africa:
 - 1) Introductory training programs in capital markets issues;
 - 2) Training programs for journalist on financial reporting;
 - 3) Training programs on the bond market;
 - 4) Training programs for regulators and institutional investors; and
 - 5) Training programs for stockbrokers.

These training programs would be implemented over the next three years. The recommended timing and locations for these regional training programs is outlined in lower part of **Box 1**.

- In tandem with the regional training programs at least three major **policy research studies** on *regionalization of stock markets, boosting of the secondary market and the establishment of regional credit agencies* would be undertaken starting in the year 2000 for a duration of twelve months each (*See Box 2*). The timing

of the final out-puts of these policy research studies should coincide with the implementation stages of seminars/ workshops on the above subjects.

- **Intensive overseas internship programs** (two weeks) for qualified capital market professionals would be offered after completion of the an introductory training program in capital market issues. These internship programs would involve on the job training in stock exchanges, regulatory bodies, depositories and bond issuer agencies in Europe and Asia.

Based on the discussions and comments that would be obtained from the participants from about twenty African countries at the 'High-level Policy Workshop on the Promotion of Capital Markets in Africa', The above recommendations will be revised and finalized.

Annex 1
The Promotion of Capital Markets in Africa

Phase I: Assessment of Needs in Capital Markets Development
Summary Results of
The Needs Assessment Survey in Capital Markets Development

During the needs assessment missions to eight African countries, major players in capital markets were requested to respond to the following:

To what degree do you agree with the following statements?
[] = Fully agree [] = Tend to agree [] = Tend to disagree [] = Strongly disagree

Twenty one executives responded to the questionnaire. The number of executives that responded fully agree, tend to agree, tend to disagree and strongly disagree is indicated below.

I. Support services needed for efficient stock markets

1. A stockbroker, in addition to taking orders, also offers advice on investing. In our national stock market the brokerage services is so poor that the few investors who are capable and willing to invest find it very difficult to participate.

[6] = Fully agree [3] = Tend to agree [9] = Tend to disagree [3] = Strongly disagree

2. No-bank financial intermediaries like stockbrokers and unit trust are available.

[] = Fully agree [21] = Tend to agree [] = Tend to disagree [] = Strongly disagree

3. The high costs of brokerage fees and other administrative costs discourage investment.

[] = Fully agree [12] = Tend to agree [3] = Tend to disagree [6] = Strongly disagree

4. Manual processing as opposed to electronic processing is a major obstacle for quick settlement and clearing operations.

[12] = Fully agree [3] = Tend to agree [3] = Tend to disagree [3] = Strongly disagree

II. Skilful entrepreneurs and financial technocrats

5. There is lack of managerial skills in finance.

[3] = Fully agree [15] = Tend to agree [3] = Tend to disagree [] = Strongly disagree

6. There is some active development of business associations.

[] = Fully agree [15] = Tend to agree [6] = Tend to disagree [] = Strongly disagree

7. There exists an association of securities dealers and brokers.

[6] = Fully agree [] = Tend to agree [3] = Tend to disagree [12] = Strongly disagree

8. There exists adequate business related computers training programs.

[] = Fully agree [18] = Tend to agree [] = Tend to disagree [3] = Strongly disagree

III. Stock exchanges and private individual investors

9. Shortage of indigenous investors is a major problem.

[6] = Fully agree [12] = Tend to agree [3] = Tend to disagree [] = Strongly disagree

10. The stock exchange provides a meaningful orientation about the operations and mechanisms of the market to the interested public.

[6] = Fully agree [9] = Tend to agree [3] = Tend to disagree [3] = Strongly disagree

11. The financial account of the stock exchange is open to the public.

[3] = Fully agree [12] = Tend to agree [] = Tend to disagree [6] = Strongly disagree

12. Disclosure of financial positions of the listed companies is published regularly in newspapers.

[6] = Fully agree [6] = Tend to agree [9] = Tend to disagree [] = Strongly disagree

13. The market trends of listed companies is published regularly.

[6] = Fully agree [6] = Tend to agree [9] = Tend to disagree [] = Strongly disagree

IV. Stock exchange and the government

14. The government through its appropriate agencies encourages the development of stock exchanges and participation in the market by: a meaningful media campaign (radio and television)

[6] = Fully agree [3] = Tend to agree [3] = Tend to disagree [9] = Strongly disagree

organizing public awareness free seminars

[3] = Fully agree [3] = Tend to agree [9] = Tend to disagree [6] = Strongly disagree

V. The notion of a regional stock exchange

15. A regional stock exchange is more efficient than a national stock exchange.

[1] = *Fully agree* [6] = *Tend to agree* [6] = *Tend to disagree* [9] = *Strongly disagree*

Annex 2

List of Institutions Visited and Meetings with Chief Executives

During the two needs assessment mission to Southern Africa and West Africa, the missions have visited the following institutions and met with the chief executives of:

South Africa: July 3-7

Johannesburg Stock Exchange

Mrs. Pearl MOATSHE, Assistant Manager, Corporate Communications

Mr. Frank MOLOBI, Head, Marketing Research and Development

Mr. Bill URMSON, Director, Surveillance and Finance, and his staff

Bond Exchange of South Africa

Mr. Allen JONES, Manager, Market Information, and his staff

Financial Services Board (Regulator)

Mr. Gerry ANDERSON, Head, Financial Markets

Mr. Norman MULLER, Manager, Financial Markets

SG Frank Pollak Securities Ltd. (Brokerage Firm)

Mr. George FRANTZESKAU, Director, SG Securities, and his staff

Botswana: July 8-12

UNDP

(Briefing and debriefing meetings)

Mr. Macharia KAMAU, Resident Representative

Mrs. Sametsi DITSHUPO, National Economist

Botswana Stock Exchange

Mr. Boikanyo KGOSIDINTSI (B.K), Administrator

Mr. Francis THOMAS, Account Manager

Stockbrokers Botswana Ltd.

Mr. Rupert J. McCAMMON, Chief Executive Officer,
and his staff

Debswana Pension Fund (Investors)

Mr. Andrew HARVEY, Administrative Manager
Mr. Boitumelo MOLEFE, Pension Fund Accountant

Ministry of Finance and Development Planning

Mr. F. MODISE, Secretary for Financial Affairs
Mr. Pius MOLEFE, Financial Affairs Officer

Inco Holdings Pty Ltd. (Listed)

Mr. Mike WARD, Managing Director

INVESTEC Securities (Investors)

Mr. Martin M. MAKGATLHE, Manager
Malawi: July 13-17

UNDP

(Briefing and debriefing meetings)

Mr. Augustine BOBE, Assistant Resident
Representative

Mr. John WAYEM, Economic Advisor

Malawi Stock Exchange

Stockbrokers Malawi Limited

Mr. Thomas F. MPINGANJIRA, Chief Executive
Officer

Mr. Ivan D. CHISALA, Financial Controller

NICO Corporate Finance Limited (Listed)

Mr. Tom DANIEL, General Manager, and his staff

National Bank of Malawi

Financial Management Service

Mr. Manwick M. BANDA, Manager

Mr. Glomicko J. C. MUNTHALI, Investment Officer

Reserve Bank of Malawi

Mr. Neil NYIRONGO, Director, Financial Markets
Operations Department
Mr. Peter RASHID, Division Chief, Financial Markets
Operations

**Press Corporation Ltd. (Listed)
Holding Co.**

Mr. A. G. SESANI, Group Financial Controller
Zambia: July 18-22

UNECA-SRDC Southern Africa

(Briefing and debriefing meetings)

Mr. Robert M. OKELLO, Director
Mr. Guillermo MANGUE, Economic Affairs Officer

Bank of Zambia

Dr. Abraham MWENDA, Deputy Governor,
Operations, and his staff
Mr. Peter BANDA, Director, Financial Markets
Department

Securities and Exchange Commission (Regulator)

Mr. Mumba KAPUMPA, Chief Executive Officer
Mr. Clement F. SICHEMBE, Director, Finance and
Registration
Mr. Michael M. LIWELEYA, Director, Licensing
Ms. Queen C. SHACHILE, Manager, Corporate
Services

CDC African Cement Group**Chilanga Cement PLC, Zambia (Listed)**

Mr. Patrick GORMAN, Group Chief Executive, and
his staff
Mr. Andrew CLARKE, Group Financial Controller

CAVMONT Merchant Bank Limited (Investors)

Mr. Charles MPUNDU, Manager

CAVMONT Securities Limited (Investors)

Mr. Clare MUKOLWE, Manager

Pangaea/ Emi Securities Limited (Brokerage Firm)

Mr. Bruce E. BOUCHARD, Managing Director
Mr. Bhaumeek P. HARMANI, Manager, Corporate
Finance

**Barclays Bank of Zambia LTD.
Financial Management Service**

Mr. Abdul A. MUNSHI, Director, Corporate and
Merchant Banking

Lusaka Stock Exchange

Mr. Charles MATE, General Manager, and his staff
Mr. Francis KAKINGA, Depository Manager

The Zambia State Insurance Corporation Limited (Investors)

Mr. Kingsley MUWOWO, General Manager, Finance,
and his staff
Mr. Geoffrey MKANDAWIRE, Chartered Insurer

Zambia Privatization Agency

Mr. Andrew CHIPWENDE, Acting Technical Manager
Mr. Ian Fraser, Advisor

Zambia National Provident Fund (Investors)

Mr. Dann K. MUSENGE, Director
Mr. J.K. MUSONDA, Operations Controller
Mr. Ian LIALABI, Financial Controller

Ghana: September 16-21

Ghana Stock Exchange

Mr. K.S. YAMOAHA, Senior Manager – Operations
Mr. Ekow AFEDZIE, Senior Manager – Marketing /
Research / Systems
Mrs. Melvina AMOAFI, Assistant Manager Marketing
Dept.

Securities Regulatory Commission

Mrs. Eudora QUARTEY, Deputy Director General

Bank of Ghana

Mrs. Teresa EFUA NTIM, Head – Financial Markets
Dept.

Databank

Mr. R Yofi GRANT, Executive Director

Social Security & National Insurance Trust (SSNIT)

Mr. Emmanuel A. GYAMFI, Acting Head - Investment

Ashanti Goldfields Co. Ltd.

Mr. Seth ASANTE, Corporate Finance Manager

Mr. Yaw Adu KUFFOUR, Investment Manager

Mr. Lamine TOURE, Treasurer – Corporate Finance
Dept.

Nigeria: September 21-23

The Nigerian Stock Exchange

Mr. Goodie M. IBRU, President

Dr. Ndi OKEREKE-ONYIUKE, Deputy Director-
General

Mr. Binos D. YAROE, Deputy General Manager, Head
– Quotations

Mr. Rasaki Oladejo, Assistant Director-General, Head –
Research & Info.

Cameroon: September 23-25

UNECA _SRDC Central Africa

(briefing and debriefing meetings)

Mr. Addo IRO, Senior Economic Affairs Officer –
Industry & Pri.Sec.Dev.

Mr. Sylvain MALIKO, Economic Affairs Officer

Banque des Etats de L’Afrique Centrale (BEAC)

Mr. Djimadoum MANDEKOR, Superviseur Financier
du Projet Marché

Commission Bancaire de l'Afrique Centrale (COBAC)

Mr. Léandré DJUMMO, Adjoint au Secrétaire Général
Mr. M. D. LOUKOMBO, Chef du Dép.de la
Réglementation

Société Nationale d'Investissement du Cameroun (SNI)

Mr. Ernest Ndoma ETTI, Directeur de la
Coopération Internationale
Mr. Nicolas TCHOBANG, Directeur Adjoint des
Opérations **Cote d'Ivoire: September 25-29**

Bourse Regionale Des Valeurs Mobilières (BRVM)

Mr. Guy LAWSON-BODY, Chef du Service
Développement Marché
Mr. Birahim DIOUF, Responsable Dépositaire

Direction Generale De La Comptabilite Publique Et Du Tresor

Mr. Ackah A. MARTIN, Directeur Général Adjoint
Mr. Yao Yao ADOLPHE, Administrateur des
Services Financiers

**Conseil Regionale De L'Epargne Publique Et Des Marches Financiers
(Regulators)**

Mme Angéle BONANE, Secrétaire Général
Mme Fatou DEME, Responsable du Département
Chargé de l'Inspection

BCEAO

Mr. Meango SAMUEL, Chef du Service Etude
Mr. Beligre JUSTINE, Service Etude
Mr. Cissé VALERIE, Service du Credit
Mr. Sea DENISE, Service du Credit

Office of the Prime Minister Privatization Committee

Mr. Lucas Alain DANHO, Vice President

CITIBANK

Mr. Pascal DJEREKE, Head – Capital Markets –
Emerging Markets Africa

SGI Hudson & Cie (Member of BRVM)

Mr. Jean-Luc BEDIE, Chairman & CEO

Framlington – Asset Mangement West Africa

Mr. Michel G. ABROGOUA, Directeur Général

Mr. Jean-Luc Oliver AKOTO, Investment Officer