

# A catalyst for transformation

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**AMMAR HAMADIEN** leads GSMA engagement with mobile operators, policy-makers and technology providers across the MENA region to further the digital and financial inclusion in the region. He has over 20 years' experience in ICT. He started his career in technical roles for HP and Cisco. More recently, he was CEO of Chinguitel in Mauritania and has worked for Zain Group in Bahrain, Kuwait and Sudan. Hamadien holds an MBA from Imperial College London Business School and a BSc in Management Information Systems from California State University.

Sudan was one of the first countries in the region to introduce telecommunications services at the end of the 19th century. In the 1990s, the sector saw a major shift driven by the privatisation of the state-owned incumbent and the creation of a ministry in charge of sector policies and legislation, and a regulator. This opened the door for foreign investments. Zain, MTN and Etisalat have invested hundreds of millions of dollars in infrastructure throughout the country. The sector has been one of the fastest growing in the country for many years thanks to the more than US\$7 billion in investments from licensed operators in the past 15 years.

Today, there are three mobile telecommunications service providers – Zain Sudan, MTN Sudan, Sudatel – and Canar which provides solutions primarily to the enterprise sector. The sector connects 72 per cent of the population but less than 50 per cent are connected through mobile broadband. The market remains predominately pre-paid, more than 95 per cent of subscribers opt for Pay-as-You-Go offers.

It is evident that investment in ICT has played a major role in shifting societies out of poverty, positively impacted GDP per capita and enhanced employment rates. Sudan is no different, technology will play a critical role in the economic development of the country. However, much remains to be done to reap the many benefits technology can provide.

The digitalisation of various elements in the agricultural value chains is a critical requirement for this important sector in Sudan. Mobile-based solutions for agricultural processes can improve the procurement of crops from smallholder farmers, provide technical advice via mobile phones to farmers in remote farms to improve agricultural practices and help them improve their efficiency and return on investments.

ICT can help improve the literacy rate in Sudan, now around 70 per cent. With 40 per cent of the country's population under the age of 15 and 20 per cent between 15-25, learning solutions linked to ICT can play a critical role in building a knowledge society that can uplift the country in the years to come.

Having the ability to make transactions, payments, savings, credit and insurance among others is a catalyst for enhancing prosperity in Sudan. Today, Sudan remains at the bottom of the list when it comes to financial inclusion a large proportion of the population having no access to any financial instruments. The economy remains largely a

cash-based society. In spite of the slow adoption of mobile-based payment solutions into the financial system; the local regulators and financial institutions are pushing forward to encourage and increase the rate of financial inclusion. With the recent announcements of several government agencies, and the push towards e-government services, a stronger push for a cashless society must be made both by the public and private sectors. Enabling legislation must be put in place to open the space for entrepreneurs and innovators to offer Financial Technology (FinTech) solutions to government agencies, enterprises and, most importantly, the general public. Increasing the rate of financial inclusion allows citizens to establish sustainable micro-businesses and improves their overall financial health. The ability to transact with a push of a button will impact all the sectors mentioned above.

For the past ten years I have been involved in various initiatives in the Middle East and Africa to provide the unbanked with tools to embrace the idea of on-demand finance through the use of mobile technologies and cloud computing. My goal is to help foster a business and regulatory environment for the growth and expansion of FinTech companies. This requires a progressive mindset across the public and private sectors. Therefore, a major focus of my work is placed on RegTech.

Sudan's financial sector is beginning to feel some relief following the lifting of the economic sanctions that negatively impacted progress in the financial and technology sectors. It is very important that we build our future plans on solid ground to enable the right combination of regulation and technology in the financial sector in Sudan. The plan is for the country to implement RegTech solutions that enable the banking sector to digitise all aspects of data analytics, compliance and significantly reduce operational risks. This is critically important in a market that will see a rapid increase in the number of FinTech companies that will provide various services and solutions to the public.

While there is a wide array of applications within the FinTech industry, the goal is to enable the introduction of business models that provide the vast numbers of unbanked Sudanese with the means to transform their economic and social status through the use of tools and means to start micro-businesses, obtain Sharia-compliant micro loans and crowd-fund small projects. This is of course a major opportunity for the financial sector as a whole and to banks in particular.