World Consumer Rights Day

Theme: Fair Digital Finance

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Statement

15 March 2022
On this day, 15 March 2022, the African Union Commission joins the global community in commemorating the 39th World Consumer Rights Day with particular regard given to the theme of **Fair Digital Finance**.

Seizing the fast-developing digital market space is particularly important in our African context where access to countless goods and services remains restricted for the vast majority. On previous occasions, World Consumer Day has seen us explore various aspects of the digital consumer space where the importance of creating a better digital world which consumers can trust in 2017 was explored, themes also considered how to make digital market places fairer in 2018. Today, as an extension of those two conversations we seek to discover ways in which we can leverage on the opportunities that are provided by digital finance while mitigating the risks that can lead to unfair outcomes for consumers.

Africa has an internet penetration rate of 43 percent and innovation has transformed how people conduct financial transactions and live their lives throughout the continent. The advent of technology through the use of mobile phones along with the rapid introduction of new digital novelties continues to drive and expand the digital finance space, helping to draw more and more people into the formal economy, potentially mitigating gender and income inequality and stimulating development in areas ranging from farming to education.

The area of digital finance and its implication on financial inclusion and financial stability in Africa is crucial for development. Africa is home to more digital financial services deployments than any other region in the world, constituting almost half of the nearly 700 million individual users worldwide. Mobile money solutions and agent banking offer affordable, instant, and reliable transactions, savings, credit, and even insurance opportunities in rural villages and urban neighborhoods where access to formal banking remains sparse. While African women are still less likely than men to have basic formal financial services; mobile money and the ability to easily and safely receive money from social networks has been found to be a drawing factor for them and thus helping to shrink the gender differences across the continent. Our youth on the other hand are growing up
in an ever-changing digital world and it is necessary for us as leaders and decision makers

to harness this exposure in a way that is optimal for them.

On the 8th of March 2022, my office launched the Women and Youth Financial and
Economic Inclusion (WYFEI 2030) initiative which is a collective impact approach that
seeks to achieve social change in respect to the financial and economic status and
participation of women and youth in Africa. As such, the success of the initiative relies
largely on the strength of digital finance services as well as the importance of making
them fair and safe. In recent years and exacerbated by the COVID-19 pandemic, digital
finance consumers are increasingly exposed to scams, frauds, phishing and data
malpractices. It is necessary to explore solutions that will mitigate these threats while still
making digital finance attractive, as governments seek to expand access to digital
banking services, it is vital to acknowledge the risks and enact strict consumer
protections—especially for the most vulnerable people, such as those with limited
educational attainment or financial experience. These strengthened consumer
protections could further appeal to the 57 percent of the population which remains offline.

Let us focus on building a digital financial marketplace that is inclusive, safe, and
sustainable for everyone.

Happy World Consumer Rights Day.