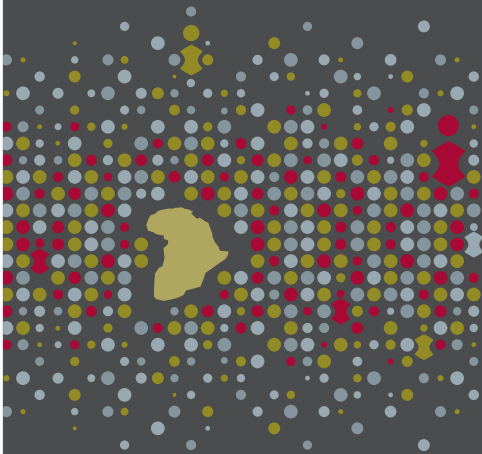


University of Stellenbosch Business School Cape Town, South Africa



African Development Finance Workshop

7 – 8 August 2012

Keynote speakers

Prof Augustin Fosu

Deputy Director UNU-WIDER, Helsinki, Finland

Dr David Porteous

MD, Bankable Frontier Associates LLC, Boston, USA

Welcome to this workshop on Development Finance in Africa

Why this workshop?

This workshop – which is aimed at academics, researchers, policymakers and financial institutions – focuses on financial sector development in Africa. Various speakers will address the micro and macro causes of development imbalances and finance development issues.

The workshop has been organised by the Institute of Global Finance and Development (IGFD) at the Lancashire Business School of the University of Central Lancashire, in collaboration with the University of Stellenbosch Business School (USB) and Economic Research Southern Africa (ERSA). It flows from an ongoing project by the Economic and Social Research Council (ESRC) on Microfoundations of Access to Finance: Demand-side Perspectives in South Africa at the University of Central Lancashire.

The workshop is funded by ESRC, the University of Stellenbosch and ERSA.

Keynote speakers

We are fortunate to have two of the world's foremost experts on development finance at this workshop. We therefore welcome keynote speakers Prof Augustin Fosu, Deputy Director of UNU-WIDER in Helsinki, Finland, and Dr David Porteous, Managing Director of Bankable Frontier Associates LLC in Boston, USA at this event.

Unpacking the role of financial systems in sustainable growth

Well-functioning financial systems help to ensure sustainable growth and development, to distribute wealth equitably and to alleviate poverty. Large portions of the population in the developing world are, however, excluded from the formal financial system. Hence, it is important to understand and assess the mechanisms and processes that could improve financial inclusion.

In a wider context, financial inclusion contributes to economic growth via small businesses, positive spill-overs, improvements in human development indicators (health, nutrition and education), and reduced inequality and poverty.

Changing the way we think about development finance

This workshop offers an opportunity to exchange experiences and enhance our understanding of development finance. It is also a place to network. Hence, this event has the potential to change the way we think about development finance on the African continent.

Prof Charles Adjasi

Head of African Development Finance Workshop Organising Committee
University of Stellenbosch Business School



Workshop: African Development Finance

Tuesday, 7 August 2012

07:30- 08:30	Arrival and registration	
08:30-09:00	Welcome Prof John Powell, Director of the USB	
09:00-09:45	PLENARY SESSION 1 Theme: ESRC Project Report Chair: Prof Sylvanus Ikhide, USB Role of perceptions and behaviour on access to and use of financial services: Evidence from South Africa Prof Arun Thankom, Samuel Annim and Philip Kostov of UCLAN, and Prof Charles Adjasi of USB	
Concurrent sessions		
09:45-11:20	SESSION I Chair: Prof Meshach Aziakpono Venue: Room 2058 Access to finance, financial inclusion and risk The impact of financial literacy in optimis-ing financial inclusion in rural South Africa: Case study of the Eastern Cape Province Syden Mishi, Portia Nomfundo Vacu and Precious Chipote, University of Fort Hare Risk management and credit rationing for SMEs: The case of leading South African commercial banks Ashley Mutezo, University of South Africa Obstacles to accessing finance by small business operators in the Buffalo City Metropolitan Municipality Tendai Chimucheka and Ellen C Rungani, University of Fort Hare Which households use which financial services? Evidence from Ghana Charles Ackah and Adjoa Acquah, University of Ghana	SESSION II Chair: M Kohler Venue: Room 2059 Institutional factors and macroeconomic issues in development and innovative finance Factors affecting institutional transformation: A case for a microfinance regulatory framework in Kenya John Ndulu Feel cheated or satisfied? Clients' perceptions of microfinance institutions and demand for services in Ghana Francis Kwaw, Andoh Vera Afuc and Clifford Afoakwa, University of Cape Coast Feasibility and sustainability of the financial cooperative model in South Africa Macintosh Kuhlengis
11:20-11:35	Tea/Coffee	



11:35-13:00	<p>SESSION III Chair: E Makaudze Venue: Room 2058</p> <p>Access to finance, financial inclusion and risk</p> <p>The analysis of M-Banking for financial inclusion in Tanzania: Case of Kibaha District Council Anithar Ishengoma Tumaini, University of Tanzania</p> <p>Financial performance of rural banks in Ghana: A case study of Naara Rural Bank Joyce Patience Awo and Joseph Oscar Akotey, Catholic University College, Ghana</p> <p>Innovative finance for the poor: prepaid credit Theodore Babu, University of Stellenbosch Business School</p>	<p>SESSION IV Chair: M Kohler Venue: Room 2059</p> <p>Institutional factors and macroeconomic issues in development and innovative finance</p> <p>The cost of trade finance, exports and economic growth: An SADC perspective Marcel Kohler, University of KwaZulu-Natal</p> <p>Rural banks and economic growth: evidence from Ghana Lordina Amoah, Theodora Odonkor and Joseph Akotey, Catholic University College, Ghana</p> <p>Finance and economic growth nexus: Complementarity and substitutability between financial markets and financial intermediaries in Africa: A case study of South Africa Forget M Kapingura, University of Fort Hare</p>
13:00-14:00	Lunch	
14:00-15:45	<p>SESSION V Chair: Prof Meshach Aziakpono, USB Venue: Room 2058</p> <p>Access to finance, financial inclusion and risk</p> <p>Access to credit in post-war economy: A new lesson from small enterprises in Liberia Musa Dukuly, University of Liberia</p> <p>Nedbank loan repayment and credit management of small business: A case study of Nedbank Clemence Hwarire, Nedbank</p> <p>Do credit guarantee schemes address credit market failures for small businesses? Preliminary evidence from South Africa Alfred Mthimkhulu and Prof Meshach Aziakpono, University of Stellenbosch Business School</p> <p>Credit risk management and profitability of selected rural banks in Ghana Afriyie Harrison Owusu and Joseph Oscar Akotey, Catholic University College, Ghana</p>	<p>SESSION VI Chair: Prof Charles Adjasi, USB Venue: Room 2059</p> <p>Institutional factors and macroeconomic issues in development and innovative finance</p> <p>Structural and institutional determinants of poverty in sub-Saharan African countries Olusegun Ayodele Akanbi, University of South Africa</p> <p>Institutions and human development: Which matters? Maghnitta Mensah, University of Manchester</p> <p>Remittances inflows to sub-Saharan Africa: The case of SADC Emmanuel Owusu-Sekyere, University of Pretoria</p> <p>An investigation into the challenges facing the financial sector in Cameroon Gabriel Akon</p>
15:45-16:00	Tea/Coffee	
19:00-22:00	Dinner (departure from accommodation at 18:30)	

Wednesday, 8 August 2012

08:00-10:30	<p>SESSION VII Chair: Penelope Hawkins Venue: Room 2058</p> <p>Access to finance, financial inclusion and risk</p> <p>Development of Weather-Index-Based agricultural insurance markets for smallholder farmers in Africa: Lessons learnt Ephias Makaudze, University of the Western Cape</p> <p>Housing matters: The importance of housing finance in financial sector development in Africa Kecia Rust, Centre for Affordable Housing Finance in Africa, FinMark Trust</p> <p>Can agency banking improve financial inclusion in South Africa? Penelope Hawkins, Feasibility (Pty) Ltd</p> <p>Financial and real sector interactions in developing economies: The case of Nigeria Babatunde Ekundayo, University of Ibadan</p> <p>The sustainability of productive assets created for vulnerable communities: An impact assessment of Tanzania Social Action Fund Intervention Asheri Mwidge, ME Mlambiti, P Damas, Sokoine University of Agriculture, Tanzania</p>	<p>SESSION VIII Chair: S Annim Venue: Room 2059</p> <p>Institutional factors and macroeconomic issues in development and innovative finance</p> <p>Impact of external financial flows on economic growth in the SADC region: A panel data approach Forget M Kapingura and Precious Chipote, University of Fort Hare</p> <p>Financial system development and economic growth: Evidence from Zimbabwe National Godfrey Ndlovu, University of Science and Technology, Zimbabwe</p> <p>An evaluation of the supplier development programme as a future strategy for small business development: A case study of incubator models in the South African petroleum industry Nonyameko Sincadu and Gardner Rusike</p> <p>Small builders in the Namibian construction sector: Opportunities, challenges and support strategies Ismael Shifdi</p>
10:30-10:45	Tea/Coffee	
10:45-13:00	<p>PLENARY SESSION 2 Keynote speakers: Prof Augustin Fosu and Dr David Porteous Chair: Prof Arun Thankom Venue: Room 216</p> <p>Financial inclusion, growth and poverty reduction in Africa</p> <p>Growth, inequality and poverty Keynote speaker: Prof Augustin Fosu, Deputy Director UNU-WIDER, Helsinki, Finland</p> <p>Beyond financial inclusion: The promise and practice of Inclusive Cash Lite Keynote speaker: Dr David Porteous, Managing Director, Bankable Frontier Associates LLC, Boston, USA</p>	
13:00-14:00	Lunch	
14:00-15:30	<p>ROUND TABLE DISCUSSION Chair: Prof Sylvanus Ikhide Panellists: Prof Augustin Fosu, Dr David Porteous, Prof Meshach Aziakpono, Prof Arun Thankom Venue: Room 216</p> <p>Challenges of development finance in Africa and the way forward</p>	

Note: Each PowerPoint presentation in the concurrent sessions is a maximum of 20 minutes.

Keynote speakers



Prof Augustin Kwasi Fosu

Prof Augustin Fosu is Deputy Director of UN University-WIDER, Helsinki, Finland; honorary CSAE Research Associate, University of Oxford; honorary BWPI Research Associate, University of Manchester; and honorary RDRF Research Fellow, University of California-Berkeley. Previous positions include Senior Policy Advisor/Chief Economist, UN Economic Commission for Africa, and Director of Research, African Economic Research Consortium. He holds a PhD in Economics from Northwestern University, USA. He has published widely, with some rankings listing him among the top 500 economists globally. Professor Fosu is Co-editor of the *Journal of African Economies* (Oxford) and serves on the editorial boards of journals such as *Feminist Economics*, *Journal of Development Studies*, *Oxford Development Studies*, *World Bank Economic Review* and *World Development*.



Dr David Porteous

Dr David Porteous is the founder and director of Bankable Frontier Associates, a niche consulting firm based in Boston, Massachusetts, USA. He has undertaken consultancy assignments in the areas of financial strategy and policy for public clients such as DFID, the World Bank and CGAP, and private clients including a banking group and Telco group. Prior to relocating to Boston in 2004, he was active in executive leadership roles in the development finance sector of South Africa with private and public financial institutions as well as FinMark Trust, an NGO involved in promoting financial inclusion policies and projects, and a public-private partnership which sought to promote low-income housing securitisation. He has written several books, including *Banking on Change* which chronicles and analyses changes in the retail financial sector of South Africa in the decade since democracy. Dr Porteous holds a PhD (Economics) (Yale), an MPhil (Cambridge) and a BComm (Cambridge).



University of Stellenbosch Business School

The University of Stellenbosch Business School (USB) offers an MBA and a Postgraduate Diploma, MPhil and PhD in Development Finance. We also offer MPhil degrees in Management Coaching and Futures Studies, other PhD degrees, postgraduate diplomas in Dispute Settlement, Leadership and Project Management, and executive development programmes.

The USB's programmes are known for their strong emphasis on critical thinking skills, leadership, applicability in a multicultural environment, and analytical and strategic skills.

The USB's international standing

- **International accreditation:** The USB has two international accreditations – EQUIS and AMBA.
- **Beyond Grey Pinstripes Top 100 Schools List:** This acknowledgement from the Aspen Institute in New York, USA, confirms the USB's efforts to prepare its students for the environmental, social and ethical complexities of business.
- **EDUNIVERSAL global survey, France:** The USB received an A-rating and the Five Palms Award for its international reputation (one of only three schools in Africa to receive this).
- **EFMD's Globally Responsible Leadership Initiative (GRLI):** The USB is a member of this initiative which focuses on reframing the purpose of management education.
- **UN's Principles for Responsible Management Education (PRME):** The USB is one of the world's first 100 business schools and universities endorsing this UN-backed global initiative which promotes corporate responsibility and sustainability in business education.
- **International participation:** The USB enjoys first-hand global experience through the following: research cooperation and partnership agreements with over 80 schools on all continents; a compulsory international module at an overseas school for its MBA students; inter-

national academics bringing their expertise to USB; exchange study possibilities for students; and various options for foreign students at the USB (ranging from full-time and modular programmes to customised programmes focusing on South African areas of expertise, such as diversity management and sustainability management).

Creating and sharing thought leadership

The USB creates thought leadership through its research centres (for leadership studies, corporate governance, futures studies, dispute settlement and business at the base of the income pyramid), academic conferences, a research fellowship programme and the research undertaken by its faculty members and students. The USB shares thought leadership on platforms such as its monthly Leader's Angle talks, an online research publication and academic journals.

Social engagement

The USB's social impact initiatives are aimed at sustainable human development through its academic, research and other activities. On the USB's programmes, engaging positively with societal issues is made real through case studies and a strong focus on sustainability, social responsibility, ethics and corporate citizenship. Further social initiative projects include a Small Business Academy, a highly subsidised Management Programme for Non-profit Organisations organised by USB alumni, and bursaries for previously disadvantaged USB students.

The USB's social impact efforts tie in with Stellenbosch University's Hope Project. Two of the USB's research units – the Africa Centre for Dispute Settlement and the Centre for Corporate Governance in Africa – have been singled out as key contributors to the University's social investment in this country and continent.

www.usb.ac.za