



For Immediate Release

## African Exchanges Linkage Project (AELP) Goes Live on Cross-border Trading

**Friday, 18<sup>th</sup> November 2022** - The African Exchanges Linkage Project (AELP) has today gone live on integrating African capital markets by facilitating cross-border trading and free movement of investments on the continent through the *AELP Link* platform. The go-live commenced when the platform was officially launched at 0000 UTC. The interconnectivity platform enables the trading of exchange-listed securities across 7 participating securities exchanges.

Commenting on the go-live, the ASEA President Dr. Edoh Kossi Amenounve said *"The go-live today of the AELP Link is a great milestone towards achieving ASEA's mission to engage African capital market ecosystems in order to foster capital mobilization, promote sustainability, and enhance financial inclusion for the benefit of Africa's economic development. Trading infrastructure harmonization through the Link is expected to ease existing trading processes and potentially reduce the cost of trading across African capital markets. I therefore congratulate all the participating exchanges and the respective brokers for being front-runners in this great pan-African integration initiative"*.

The AELP, a flagship project of the African Securities Exchanges Association (ASEA) and the African Development Bank (AfDB) is aimed at facilitating cross-border trading among seven participating Exchanges and select broker firms. The AELP Phase 1 is funded by a grant from the Korea-Africa Economic Cooperation (KOAFEC) Trust Fund managed by the African Development Bank.

The seven Exchanges participating in Phase 1 of the AELP are: Bourse Regionale des Valeurs Mobilières (BRVM), Bourse de Casablanca, The Egyptian Exchange (EGX), Johannesburg Stock Exchange (JSE), Nairobi Securities Exchange (NSE), Nigerian Exchange Limited (NGX), and Stock Exchange of Mauritius (SEM).

In July 2021, ASEA signed a contract with DirectFN Ltd for the design and implementation of the AELP Link trading system in the seven markets. The Link which is hosted on the Oracle Cloud Infrastructure (OCI) has been designed to integrate with exchange and broker trading systems, and is available in English, French and Arabic. It aggregates live market data from the Exchanges and enables brokers to access information and see the market depth and liquidity of the foreign market of interest.

Stockbrokers and Securities Dealers are critical stakeholders in the Linkage process. Through the coordination of the Exchanges and the African Stockbrokers and Securities Dealers Association (ASSDA), each exchange will connect 5 stockbrokers or securities dealers to the AELP Link. In the first phase of the project 33 Stockbrokers have connected as at go-live.

The selection of participating Stockbrokers and Securities Dealers was based on agreed criteria, and expression of interest by approved licensed dealing members from each of the participating Exchanges. The ASSDA Organizing Secretary, Mr. Willie Njoroge observed that *"this is a historic moment for Africa, to finally actualize the linking of stock exchanges across Africa after many unsuccessful attempts over the last 2 decades."*

The AELP test environment has been operational since July 2022 enabling the stockbrokers and securities dealers to familiarize themselves with the platform and execute mock trades. This culminated in the completion of the User Acceptance Testing on 7 November, 2022 paving the way for the technical go-live today.

The participating stockbrokers have already embarked on signing counterparty broker agreements between different markets. The sponsoring stockbrokers enable access to their domestic markets to sponsored stockbrokers from other markets and vice versa. The sponsoring broker will clear and settle trades in the host market using their local currency in compliance with the host market's rules and practices. The regulatory bodies in all the participating markets are therefore apprised on the progress.

A ceremonial launch of Phase 1 and demonstration of live cross-border trades will be held alongside the 2022 ASEA Annual General Meeting & Annual Conference on 7<sup>th</sup> December 2022 at 9:00am GMT in Abidjan, Cote d'Ivoire.

Future phases of the project may include automated cross-border payment systems, participation of additional ASEA member Exchanges and their respective brokers and additional brokers from the current participating Exchanges after the pilot phase. Botswana Stock Exchange (BSE) and Ghana Stock Exchange (GSE) will kick off Phase 2 of the AELP with technical connectivity to the Link expected to commence in 2023.

Read more [here](#).

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Notes to the editor:

#### About ASEA

The African Securities Exchanges Association ([www.african-exchanges.org](http://www.african-exchanges.org)) is the Premier Association of the 25 securities exchanges in Africa who have come together with the aim of developing Member Exchanges and providing a platform for networking. ASEA was established in 1993 and works closely with its Members to unlock the potential of the African Capital Markets.

#### About ASSDA

The African Stockbrokers and Securities Dealers Association (ASSDA) is a Pan-African association of registered national associations whose members are stockbrokers or securities dealers, or associations whose Members deal in securities in one form or another. The AfDB and ASEA are Observer Members of ASSDA. On 26th November 2019, in Kasane Botswana, an MOU was signed between the national associations engaged in stockbroking and securities dealing from the founding member countries of Egypt, Kenya, Mauritius, Morocco, Nigeria, and the West African Economic and Monetary Union (WAEMU) countries.

#### **PARTICIPATING STOCKBROKERS AND SECURITIES DEALERS**

The brokers participating in Phase 1 are:

**BRVM:** BOA Capital Securities; SGI -Coris Bourse; CGF Bourse; FGI Bourse; Societe General Capital Securities (SGCS)

**Bourse de Casablanca :** BMCE Capital Bourse; CDG Capital Bourse; Attijari Intermédiation; Upline Securities; CFG Marchés

**EGX:** Sigma Capital; Mubasher Egypt; CI Capital Securities; Beltone Financial; Arqaam Securities

**JSE:** Lefika Securities; FNB Stockbroking. More broker engagement ongoing.

**NSE:** AIB- AXYS; Dyer & Blair Investment Bank; Faida Investment Bank; NCBA Investment Bank; Sterling Capital

**NGX:** FBNQuest Securities Limited; Stanbic IBTC Stockbrokers Limited; Chapel Hill Denham; Cardinal Stone Securities Ltd; Cordros Securities Limited; RMB Stockbrokers

**SEM:** MCB Stockbrokers Ltd; AXYS Stockbrokers Ltd; Swan Securities Ltd; MUA Stockbroking Ltd; Capital Market Brokers