

AfICTA – Africa ICT Alliance

Secretariat Report

On



URL: <https://aficta.africa/3rd-econference>

Submitted on September 30, 2019

Agenda			
S/N	Time*	Event	Duration
1	8:00	Opening remarks by Engr. Hossam Elgamal, CEO, EDRAC & Chairman, AfICTA Moderator	10mins
2	8:10	Presentation by Engr. Ahmed A. Mansour, MBA, ITIL® Head of Integration & Blockchain Expert, Central Bank of Egypt. <i>Topic: How Blockchain Disrupt Banking Sector</i>	15mins
3	8:25	Q & A with Engr. Ahmed A. Mansour.	10mins
4	8:35	Presentation by Mr. Opeyemi Onifade, Managing Director/CEO, Afenoid Enterprise Limited Topic: <i>Meeting the Challenges of PCIDSS Compliance.</i>	15mins
5	8:50	Q & A Session with Mr. Opeyemi Onifade	10mins
6	9:00	Presentation by Dr. Jimson Olufuye, PhD CEO, Kontemporary Konsulting Ltd Founder & IPP, AfICTA Topic: <i>FINTECH: Transforming the Digital Economy with Blockchain Technology</i>	15mins
7	9:15	Q & A Session with Dr. Jimson Olufuye.	10mins
8	9:25	AOB	5mins
9	9:30	Vote of thanks to speakers by Mr. Paul Rowney, ICT- PAN President Co- Moderator	5mins
10	9:35	Closing remarks by Dr. Jimson Olufuye, PhD Founder & IPP, AfICTA	

WELCOME ADDRESS

AfICTA 3rd eConference was held online on Wednesday 11th September, 2019, with theme: “FINTECH”. The event began at exactly 8:00am GMT with welcome address by the Chairman of AfICTA, Engr. Hossam Elgamal.

OPENING REMARK

Engr. Hossam in his opening remark, appreciated all participants and invited guest speakers that graced the event. Guests present at the event included: Dr. Ahmed A. Mansour, MBA, ITIL®

Head of Integration & Blockchain Expert, Central Bank of Egypt, CEO Kontemporary Consulting and Chairman AfICTA, Dr. Jimson Olufuye fncs, CISA, CISM, CRISC, PRINCE2, PhD; Mr. Opeyemi Onifade, Managing Director/CEO, Afenoid Enterprise Limited, he used the opportunity to appreciate Mrs. Marilyn Cade

INTRODUCTION

According to the Chair AfICTA, the objective of the eConference is to create a platform where ICT field players across Africa can share our knowledge, experience, challenges and opportunities in different areas where ICT can make a difference and the theme of this particular eConference FINTECH is bordering financial inclusion which is a major pillar for Sustainable Development for all countries in Africa. On a final note he opened the floor to the first speaker of the day. Engr. Ahmed Mansour.

As the event progressed, the agenda was shared with participants.

1st PRESENTATION

How Blockchain Disrupt Banking Sector

The first speaker; Engr. Engr. Ahmed A. Mansour, MBA, ITIL® Head of Integration & Blockchain Expert, Central Bank of Egypt presented a paper on “How Blockchain Disrupt Banking Sector”.

Mr. Ahmed Mansour introduced by expressing that although there is great talk on the block about how the blockchain technology will transform the banking sector th problem is there are no special use cases to identify the actual revolution this technology is to bring in the sector. Furthermore, he explained the basis upon which the technology is built which is distributed ledger and its removing dependency on third parties. He highlighted that reduced cost, transparency, no single point of failure, Realtime tracking etc. are some of advantages of the technology. He discussed the hurdles holding the full adoption of the technology in the banking sector and they include: Regulatory uncertainty, lack of trust among users, inability to scale, intellectual property concerns etc.

In 2018 according to Gartner reports on 1% of enterprises had fully adopted and deployed the blockchain technology in their systems and in 2019 11% have started deploying Blockchain tech, this is due to recent adoptions for blockchain both in the banking sector and other economies as well. Some uses cases of the BC technology so far include, KYC & AML, Syndicated Lending, Nostro reconciliation etc.

The FT reports state that 75 banks, including Santander and Société Générale, are joining the Interbank Information Network (IIN), which JPMorgan, ANZ, and the Royal Bank of Canada have been trialling since September 25, 2018

He finally stated that Swift is testing feature of the R3 platform on BC technology as well as bank of England which has started testing the features of the RTGS payment system on BC also in Egypt 2 banks have started running trials of the KYC BC technology

QUESTION & ANSWER

Question 1.

The BC technology seems like one that is often a 1st world technology that developing continents and countries like Africa don't get to own or drive their own, how can we develop the right skills and retain those skills in Africa to build BC technologies that are relevant to our own problems in Africa that are quite different from those of the other developed continents? (Mr. Paul Rowney)

Engr. Mansour's response.

Using Egypt as a case study, we are seeing that lots of academia representatives like students professors and young students have a passion trend for the tech and are beginning to study it more but the problem is that the companies running the tech like R3, IBM etc. need to focus more on building an awareness and enlightenment platform for the technology, as he found in his own survey that people still misconstrued the scope of the B technology and are ignorant to the fact that it is not just implementable as in the Bitcoin tech but has many other application. So, there must be a platform for continuous awareness to get more people acclimated to the technology itself before they can buy into it and see the skills that can be developed to sustain it.

Question 2

Is there any use case that is live you can talk about? Emmanuel Eze

Engr. Mansour's response.

There are lots of use cases that are in the pilot phase for instance HSBC has run production version for the BC already and lots of companies in the golf area have started using the BC technology across their payment platforms and he promised to share more of these cases via email to the participant. Although he said they will only be a handful of those as many are still just rolling out this technology or still in the pilot phase. But by 2020 we would have a lot more.

Question 3

Is there any legislation by the government through the central bank of Egypt in short term that buttresses the value of using BC (Engr. Hossam Elgamal)?

Engr. Mansour's response.

A taskforce has been created for assessing the BC and the KYC use case and he heads said taskforce which comprises of banks, financial institutions and companies and promises in coming years use there will be a strong BC technology rollout due to studying of use cases to build strong backbone for it.

Question 3

Are there any collaborative efforts from the taskforce in Egypt with other countries in Africa maybe at the African Union level to bring them onboard (Engr. Hossam Elgamal)?

Engr. Mansour's response.

Although he is not at liberty to discuss the details of this issue, he does confirm that there are such collaborative efforts with other African countries.

On a final note Engr, Ahmed highlighted that awareness is key I we wan to see this technology come to fruition in Africa and Engr, Hossam promised that AfICTA will work on brainstorming on ideas to assist to create awareness and building capacity in these technologies that Africa needs it. Dr Jimson also added that in line with the synergy amongst all Africa countries that Engr. Ahmed mentioned he suggested that Chairman consult with the UNECA representative at the AfIGF to see how associations like AfICTA, Fintech Association Nigeria and others could come up with frameworks for bother awareness and capacity building in the Fintech industry.

2nd PRESENTATION

“Meeting the Challenges of PCIDSS Compliance”

The moderator introduced Mr. Opeyemi Onifade, Managing Director/CEO, Afenoid Enterprise Limited and gave a rundown of his profile.

Mr. Opeyemi Onifade, delivered a presentation on “*Meeting the Challenges of PCIDSS Compliance*” he opened by giving an illustration of the security risks of both the physical and virtual business and how security is key to business and transactions online. He stated that it is necessary to keep up with risk assessment of online platform so as to prevent breached by cyberthieves. He then introduced the concept of PCI-SSC - The PCI Security Standards Council is a global forum for the ongoing development, enhancement, storage, dissemination and implementation of security standards for account data protection and the standard they issued called PCIDSS Payment Card Industry Data Security Standard (PCI DSS) developed and propagated by the Council which provides guidelines to secure the card payment processing happening across the global financial system.

He furthermore discussed the PCI framework security requirement which includes:

1. Install and maintain a firewall configuration to protect data.
2. Do not use vendor-supplied defaults for system passwords and other security parameters.
3. Protect stored data.
4. Encrypt transmission of cardholder data and sensitive information across public networks.
5. Use and regularly update antivirus software.

6. Develop and maintain secure systems and applications
7. Restrict access to data by business need-to-know.
8. Assign a unique ID to each person with computer access.
9. Restrict physical access to cardholder data.
10. Track and monitor all access to network resources and cardholder data.
11. Routinely test security systems and processes.
12. Establish high-level security principles and procedures

Mr Onifade further discussed the compliance challenges found in organizations that financial institutions that run financial transactions online. Some of the challenges include: Inappropriate Scoping, Undefined and Not formalized stakeholder roles and accountabilities, Lack of significant controls into CDE, Inconsistent security policies and lack of awareness, Complacency assessed entity after certification, Ineffectiveness of Time-based controls.

In conclusion, Mr onifade buttressed that data compromise is global in scale and there are several parties involved in maintaining data security, he also mentioned that data security is an issue that pertains to everybody from Members, Merchants, Service Providers, Consumers, and Regulators. Data security not only poses treat to revenue but reputation as well and this can be very damaging.

QUESTION & ANSWER

Question 1.

In more developed financial institutions in developed countries such as the UK it's easy to adopt the PCIDSS compliance but in countries in Africa where a large number of the population is financial excluded due to cost. Although PCIDSS is immensely necessary and helps reduce fraud in this new age of mobile money and whatnot, it also has its cost implication how can we ensure that the PCIDSS compliance is adapted in such a way it doesn't lead to more financial exclusion for the African population.? (Mr. Paul Rowney)

Mr. Opeyemi's response.

There is a balance that needs to be understood in value realization of any business and that is the balance of benefit realization and resource optimization, but Africa cant shy away from standard due to limited resource so we need to look to optimize our resources and one way to achieve this is through education to build personnel. Technology is also a way to achieve this and in particular cloud solution and it doesn't help that most service provider don't have data centers but leverage on big companies like Amazon and AWS to be standard compliant. In conclusion we need to be more self-reliant in Africa if we want to move forward with the world.

Question 2.

Regard PCI website ASV scanning is done externally i.e. scanning internet facing infrastructure. So, I want to know the exact scope of ASV scanning. Does it encompass

every internet facing infrastructure or only internet facing infrastructure that processes card data? (Mr. Laicana Coulibaly)

Mr. Opeyemi's response.

For compliance reason It is important to carry out a thorough scoping of your entire environment and so you need to know your card data environment and this is only achievable through proper segmentation of all internet facing structure relation to card holder information most importantly the IP address. Once that is achieve then ASV scanning can be done on just the card holder internet infrastructure otherwise to achieve compliance you will have to scan everything. Although segmentation helps reduce the scope of work in ASV scanning as well as cost.

Question 3.

What is the Nexus between PCIDSS, GDPR - European General Data Protection Regulation and NDPR - Nigerian Data Protection Regulation compliance requirements? (Dr. Jimson Olufuye)

Mr. Opeyemi's response.

The nexus between all compliance requirement is that they are all about security of personal data. Although GDPR and NDPR are about personal information and data. PCIDSS compliance is about transactional financial data and payment card information. In terms of compliance management, there are overlapping feature of both data security schemes and African solution providers need to learn that there is specific relationship between security and privacy and you can have data privacy and lack security but you cannot have security and lack data privacy. To achieve both, organizations need to learn to not just be compliant but also optimize their data protection and management systems.

Question 4

Can we say that the PCIDSS compliance will strengthen the EU GDPR and NDRP in the context of financial institution data protection because financial security is also part of personal data that needs security. So, can PCIDSS standard be incorporated into the EU GDPR and NDRP as requirement to achieve financial data security? (Mr. Segun Olugbile)

Mr. Opeyemi's response.

As said earlier Mr. opeyemi reiterated that there are overlapping requirement from both data protection schemes and there are academic exercises to map the requirements and shows how PCIDSS helps to implement GDPR and how if you follow GDPR regulation thoroughly, you are on your way to achieving PCIDSS compliance. But there is a specificity to PCIDSS that needs to be generally accepted unlike GDPR where it is customizable to the kind of data your service provider collects. Furthermore, the regulatory body driving the GDPR and NDPR are

government agencies and are based of governmental obligations but PCIDSS compliance is on the other hand is driven by the industry. GDPR and NDPR are also regional and are specific to certain region of the world but PCIDSS is a globally accepted requirement in financial data protection.

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3rd PRESENTATION

“FINTECH: Transforming the Digital Economy with Blockchain Technology”

The moderator introduced Mr. Dr Jimson Olufuye
CEO, Kontemporary Konsulting Ltd Founder & Immediate Past Chairman
IPP, AfICTA and gave a rundown of his profile.

Dr. Jimson started by thanking the past presenter and reminding the participant of the need for involvement in matter relating to ICT at the continental level. In this light he invited everyone to participate remotely in the workshop AfICTA will be presenting at the Internet Governance forum happening inn Berlin in November 24 2019.

Dr, Jimson began by explain the technology behind the Blockchain and explained how it played into the bigger picture of FinTech - Financial Technology. He explained the core concepts and key characteristics in the BC framework which include Secure blocks, Proof of work verification, Network data security and integrity etc. Dr. Jimson then enumerated the challenges and Risks associated with Distributed Ledgers which is the building block of Blockchain Technology viz:

1. **Scalability:** The cheer computing power require to arrive at “proof of work” is a challenge for transaction scaling.
2. **Transaction speed:** At an average of 7 transactions per second compared to VISA’s 56,000 transactions per second (ref 2015 report). The challenge of scaling is underscored here.
3. **Governance:** Regulatory and legal questions such as who is in Charge? Where do you go to complain or regulate? Where is the legal governance of data?
4. **User complexity:** The BT can be complex and require management of cryptographic keys and addresses.
5. **Power:** In a “proof of work” system such as Bitcoin, computing power is the currency of the network. Computing strength consumes enormous amounts of power.
6. **Cost:** BT is not yet proven to be cost effective as it is yet to be determined how much is to be invested to get a return on investment.

Risks

As BT gains momentum, there are five (5) IT risk areas that are of significance when embarking on blockchain driven projects. They are: Cyber and Information risk, architecture and design risk, IT compliance risk, third party and vendor risk and integration risks.

In conclusion as a disruptive technology, it is quite essential that proper preparation is carried out before BT is applied to government verticals. It is important that formal governance structures and procedures be established to reap the benefit of BT when applied

Vote of Thanks

Mr. Paul Rowney thanked all the speakers for their input in the eConference and also advised speakers on the need for us to look at the challenges Africa faces currently and the opportunities therein.

Dr. Jimson Olufuye finally thanked all the participants, board members and the speakers for attending and delivering their speeches, he also used the opportunity to appreciate the chairman Engr, Hossam for his unrelenting engagements as he currently represents AfICTA at the African IGF. On a final note he advised that we all in Africa need to constantly collaborate more to achieve the goal of the digital age in Africa and enjoined everyone present to join AfICTA as either a company or as individuals and some benefits include extending your reach or either your business or you personally as we have collaboration with ICANN, the African Union and many other bodies that are concerned with

Download Links

[Presentation 1](#)

[Presentation 2](#)

[Presentation 3](#)

The event ended @ 10:03 am (GMT)

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