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News Worth Knowing

Yello Digital Financial Services Limited, a subsidiary of mobile operator MTN Nigeria, [has been awarded](#) a 'super agent' licence by the country's central bank - allowing it to provide financial services to its 56m subscribers.

This is part of government plans announced last year to open up its financial sector to mobile money providers - reversing years of restrictive regulation geared towards protecting traditional banks.

The policy shift could be a game changer for financial inclusion in Africa's biggest economy, estimated to be around 40%.

The likely aim is to emulate Kenya, home to Africa's most developed mobile money and fintech ecosystem, which has leveraged platforms like M-Pesa to more than double access to formal financial services to 83%.

The prospect of Nigeria doing the same is exciting, but this will depend on how far the government goes.

Yello Digital's licence is just a first step. The core of Nigeria's mobile money and fintech strategy is the establishment of so-called Payment Service Banks (PSB). The jury is out on how impactful these will be, [with guidelines](#) imposing restrictions on what they can do. They're not permitted to offer loans or credit facilities for example.

Traditional banks are also unlikely to simply stand by and watch.

Time will tell how things pan out, but Nigeria is finally heading in the right direction on mobile money.

Today's picks

From the continent

Zimbabwe's government has started distributing food aid in cities for the first time, as the impact of drought and an acute economic crisis push up hunger. A joint government and UN World Food Programme report earlier this month warned that more than 5.5m Zimbabweans are facing food insecurity. **More:** [Bloomberg](#)

Democratic Republic of Congo's president Félix Tshisekedi and his predecessor Joseph Kabila on Monday released details of a planned coalition government, the latest sign of continued influence by Kabila, in power for 18 years until disputed elections last December. The coalition will reportedly include 65 members, with 42 from Kabila's Common Front for Congo political grouping. **More:** [Xinhua](#)

The Daily Stat

23%

South Africa's unemployment rate in the second quarter, the highest in more than a decade.

More: [Reuters](#)

The Global Perspective

The U.S federal reserve is expected to cut interest rates for the first time in a decade today, aimed at minimising the impact of rising trade tensions and weakening global growth. The move could be good news for African economies, potentially lowering the cost of

dollar-denominated debt servicing and spurring investment into frontier markets. **More:** [Reuters](#)

Vivo, China's third-largest smartphone vendor, has announced plans to expand sales into Nigeria, Kenya and Egypt as part of a push into the Middle East and Africa. This is part of booming investment on the continent by Chinese tech giants. **More:** [PR Newswire](#)
